

Policies and Procedures for Inquiry into Leak of UPSI

Background

In terms of the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015 (“**PIT Regulations**”), every listed company is required to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information (“**UPSI**”). In this regard, the Property Share Investment Trust and any scheme under the Trust (“**Trust**”), acting through its manager, PropShare Investment Manager Private Limited (the “**Manager**”/ “**Company**”), has laid down this Policy and procedure for inquiry in case of leak or suspected leak of UPSI (“**Policy**”).

The Board of Directors of the Manager (the “**Board**”) acknowledges that the contours of an enquiry into any leak or suspected leak of UPSI would have to be determined in accordance with the facts and circumstances of each such case and that accordingly, it is not viable to prescribe a standard operating procedure that would strictly apply in every instance of an enquiry. In fact, it is important to keep the enquiry process dynamic to ensure that it appropriately examines all relevant aspects that may arise in different cases.

In view of the above, this Policy sets out the broad principles that the Investment Manager will follow for the purposes of examining any case of leak or suspected leak of UPSI. It is clarified that while an enquiry in case of a leak, or suspected leak of UPSI may be undertaken through various modes, it will adhere to the key standards set out below.

This Policy shall be read in conjunction with the Whistle Blower Policy adopted in relation to the Property Share Investment Trust Entities. Any information received by the Investment Manager in relation to an Alleged UPSI Leak (*defined below*) shall be treated as “Protected Disclosure” as defined under the Whistle Blower Policy. Further, (i) any Designated Person making a communication or providing information regarding an Alleged UPSI Leak shall be entitled to the same rights as that of a “Whistle Blower” under the Whistle Blower Policy; and (ii) to the extent relevant, the Compliance Officer, the Management Committee and the Enquiry Committee (*defined below*) shall follow similar procedures for investigation and decision making as set out in the Whistle Blower Policy. However, it is clarified that, to the extent that the subject matter of the complaint relates to an Alleged UPSI Leak, in the event of a conflict, the terms of this Policy shall prevail over the terms of the Whistle Blower Policy.

Policy

1. Any communication or information regarding an actual leak or suspected leak of UPSI (“**Alleged UPSI Leak**”) should be made to the Compliance Officer.
2. Upon being apprised of an Alleged UPSI Leak, such as, by way of:
 - (i) communication received from regulatory authorities; or
 - (ii) a written complaint and / or communication received from a whistle-blower; or
 - (iii) Investment Manager’s own systems / internal monitoring, etc.,

the Compliance Officer either by himself or through any person designated by him, shall undertake a preliminary review of such alleged violation in light of the facts and circumstances of the case and provide a report containing the relevant details and his/her findings to the Management Committee to assess if the matter merits any inquiry or investigation. In the event

any member of Management Committee is interested in the investigation, such member shall recuse himself or herself for the purposes of such investigation.

Further, the Compliance Officer reserves the right to *suo moto* initiate an inquiry under this Policy against any Designated Person, if the Compliance Officer has reason to believe that there has been an Alleged UPSI Leak.

For the avoidance of doubt, it is clarified that inferences based on media reports, observations by analysts or mere market rumors will not be the sole grounds for the purposes of initiating a preliminary enquiry, and the Management Committee will, in consultation with the Compliance Officer, have the discretion to decide if a preliminary enquiry is required to be undertaken, in each such case.

3. In the event the Management Committee, in consultation with the Compliance Officer, determines that the matter warrants an investigation, it will promptly constitute an enquiry committee comprising such persons as the Management Committee deems fit (“**Enquiry Committee**”), to undertake a fact-finding exercise into the matter.

Initial Assessment

4. In the first instance, the Enquiry Committee will look into the matter, and analyse the accuracy of the Alleged UPSI Leak (“**Initial Assessment**”) by taking the necessary steps, such as, by:
 - (i) undertaking an assessment of the source and type of the complaint / allegation;
 - (ii) undertaking an analysis of: (a) the nature of the UPSI that was leaked or allegedly leaked, to determine the scope of assessment; (b) the parties who could have had access to it; and (c) the manner in which it could have been leaked; and
 - (iii) conducting interviews with the complainant, in the event his / her identity is known, as well as with other relevant stakeholders, in connection with the matter.
5. Basis the outcome of the Initial Assessment, the Enquiry Committee will determine if:
 - (i) the allegations / suspicions are baseless or frivolous, and require no further action, or
 - (ii) the matter requires further internal enquiry and investigation.
6. The Enquiry Committee will report its findings in terms of the Initial Assessment to the Audit Committee of the Board, along with a summary of the process followed, its recommendations and reasons thereof. Basis the report and recommendations of the Enquiry Committee, the Audit Committee will discuss and decide if the matter requires further investigation.

Enquiry

7. If, post deliberations, the Audit Committee requires the Enquiry Committee to take a closer look at the matter / undertake a detailed enquiry, the Enquiry Committee will conduct such enquiry (“**Enquiry**”) and take all requisite steps, including but not limited to, the following:
 - (i) determining the medium through which the leaked UPSI was disclosed and / or communicated;
 - (ii) conducting a confidential and non-intrusive review of the activities and roles of the individuals / parties who typically handled, or had knowledge of, the UPSI in question, including by way of reviewing the available documentation in this regard, audit trails as well as conducting interviews, where necessary;

- (iii) appointing external advisors / consultants / professionals etc. to assist in the conduct and / or advise on the Enquiry, including, undertaking forensic investigation, where necessary; and
 - (iv) reviewing and re-assessing the internal controls and processes implemented by the Investment Manager for identifying deficiencies / fault lines if any, in such controls and measures, and recommending improvements to the same.
- 8. The Enquiry Committee will ensure that the details of the Enquiry (including, the Initial Assessment) are shared with the relevant internal and external stakeholders strictly on a “need to know” basis. In cases where the complaint is received from a whistle-blower, the Enquiry Committee will ensure confidentiality of the identity of the whistle-blower.
- 9. In conducting the Enquiry, the Enquiry Committee will have due regard to the principles of natural justice. Accordingly, the Enquiry Committee will provide an opportunity of being heard and making submissions, etc., to the persons against whom allegations of leak of UPSI have been levelled. The Enquiry Committee will be required to consider the same while arriving at its conclusions.
- 10. Upon the conclusion of the Enquiry:
 - (i) the Enquiry Committee will update the Audit Committee of its findings, along with a brief summary of the details of the investigation, processes adopted, etc.
 - (ii) if the Enquiry Committee is of the opinion that a leak of UPSI has occurred and it has determined the party responsible for, or involved in, the leak of UPSI, it will make suitable recommendations to the Audit Committee regarding appropriate actions that may be taken in that regard.
 - (iii) the Audit Committee will, as appropriate, impose disciplinary and / or penal measure(s) and any other steps it deems necessary, in respect of the persons identified as being responsible for the leak of UPSI. It is clarified that any action taken by the Securities and Exchange Board of India (“SEBI”) for violation of the PIT Regulations and any other applicable law will not preclude the Investment Manager from taking any disciplinary action in accordance with the recommendations of the Enquiry Committee.
 - (iv) The Compliance Officer will promptly inform SEBI of any leaks, Enquiry and of the outcome of the Enquiry and the measures taken by the Company in that regard.
- 11. The Enquiry Committee will take reasonable efforts to conclude the Enquiry within a period of 20 days from its commencement. It is clarified that the period for completion of the Enquiry may be extended with the prior permission of the Audit Committee, if the circumstances so require.
- 12. The Compliance Officer shall ensure that all Designated Persons are made aware of the Whistle Blower Policy adopted by the Property Share Investment Trust Entities. Further, relevant intermediaries and fiduciaries of the Property Share Investment Trust Entities should be made aware that they are required to co-operate with the Investment Manager in connection with any inquiry in to Alleged UPSI Leak.