

**Policy on leak of Unpublished price Sensitive information(UPSI)
Approvals**

Date	Approving Authority
October 27, 2023	Board of Directors
July 31, 2023	Board of Directors

Version Control

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2.0	October 27, 2023	No Change
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Policy Owner: Secretarial Department

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1. Background:

In pursuance to the Regulation 9A(5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (the “**SEBI Insider Trading Regulations**”), this policy has been formulated by India Shelter Finance Corporation Limited (the “**Company**”) to establish a written policy and the procedure for inquiry in case of a leak or suspected leak of UPSI (*as defined hereinafter*) (the “**Policy**”).

The Board of Directors of the Company (the “**Board**”) acknowledges the contours of an inquiry into any leak or suspected leak of UPSI would have to be customized according to the facts or circumstances of each case. Therefore, it is not possible to prescribe a standard operating procedure to be followed while conducting an inquiry into every case of a leak or suspected leak of UPSI. Further, the Board acknowledges the importance of keeping the procedure dynamic, to ensure that an inquiry appropriately covers all relevant aspects of a case.

2. Objective:

- (i) To strengthen the internal control system to prevent leak of UPSI;
- (ii) To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and promptly inform the same to the Securities and Exchange Board of India (“**SEBI**”);
- (iii) To take disciplinary actions, if deemed fit against any person who appears to have found guilty of violating this Policy, apart from any action that SEBI may initiate/take against such person.

3. Definitions:

“**Act**” means the Securities and Exchange Board of India Act, 1992 as amended from time to time.

“**Board**” shall mean the board of directors of the Company.

“**Company**” shall mean India Shelter Finance Corporation Limited

“**Compliance Officer**” means any senior officer, designated so and reporting to the or head of the organization in case Board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of the listed company or the head of an organization, as the case may be.

“Investigating Officer” shall mean Compliance Officer of the Company appointed by the Board of Directors pursuant to the SEBI Insider Trading Regulations.

“Incident” shall mean any incident of leak(s) or suspected leak(s) of UPSI.

“Inquiry Committee” shall mean the committee constituted to investigate instances, allegations or suspicions of a leak of UPSI in accordance with the principles laid down in this Policy. Further, it shall comprise of Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Company Secretary or such other members as the Chief Executive Officer may deem appropriate. There will be a minimum 3 members of this Committee. The members of the Committee may elect one amongst themselves to be the Chairman of the committee.

If any member of Inquiry Committee has a conflict of interest in any given case, then he/she should recuse himself/herself and other members of Inquiry Committee should deal with the matter on hand.

“Leak of UPSI” shall refer to such communication of information by any Insider, employee & Designated Person of the Company, or any other known or unknown person to any other person, directly or indirectly, by virtue of which UPSI is made available or becomes available, by any means or mode before its official publication or announcement or formal circulation in the public domain, except for legitimate purposes, the performance of duties or discharge of legal obligations.

“Stakeholders” shall include but not limited to all employees of the Company, statutory auditors, internal auditors and consultants.

“Stock Exchanges” shall mean the relevant stock exchanges where the securities of the Company are listed.

“Suspect” means the person or persons against or in relation to whom an inquiry is initiated in case of leak or suspected leak of UPSI.

“UPSI” shall mean any information, relating to the 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 of the Company and shall, ordinarily include but not restricted to, information relating to the following: a) financial results; b) dividends; c) change in capital structure; d) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and e) changes in key managerial personnel. f) such other information as determined by the Board of Directors/Chief Executive Officer/Chief Financial Officer or Compliance Officer from time to time.

“**Whistle Blower**” means an employee or director of a Company making a disclosure under the Whistle Blower Policy.

All other words and expressions used but not defined in the Policy but defined in the SEBI Act, 1992, the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the SEBI Insider Trading Regulations and/ or the rules and regulations made thereunder, Policy on Code of Fair Disclosure Practices of UPSI of the Company, Code of Conduct to Regulate, Monitor, and Report Trading by Insiders of the Company, each as amended, shall have the same meaning as respectively assigned to them in such Acts or Rules or Regulations or Policies or Codes or any statutory modification or re-enactment thereto, as the case may be.

4. Duties of Investigating Officer:

The Investigating Officer shall be responsible to:

- (i) Oversee the compliance of this Policy;
- (ii) Co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI to the Inquiry Committee;
- (iii) Report the incident of actual or suspected leak of UPSI to the SEBI and the Stock Exchanges.

5. Intimation to the SEBI and Stock Exchanges:

The Investigating Officer of the Company shall inform the SEBI and Stock Exchanges about the incident in the formats provided in **Annexure A** and **Annexure B** respectively.

6. Duties of Inquiry Committee:

The Inquiry Committee shall be responsible for the following:

- (i) To conduct a preliminary assessment and/ or an inquiry into any Incident to ascertain the truth or materiality of the information and/or the complaint received in this regard. The Inquiry Committee can also take cognizance of any such matter *suo-moto*.
- (ii) The Inquiry Committee may authorize any person, if required, to collect necessary support material required for investigation of the Incident;
- (iii) The Inquiry Committee shall conduct an investigation in accordance with the procedure set out below.
- (iv) The Inquiry Committee shall submit its observations to the CEO and the CEO shall further intimate the observations to the Board;
- (v) To decide disciplinary action thereon.

7. Powers of the Inquiry Committee:

For purpose of conducting inquiry, the Inquiry Committee may:

- (i) call upon:
 - a. such employees/individuals to seek clarification or information pertaining to the leak;
 - b. persons/members of committees involved in generation of the original data for purpose of determination of key figures pertaining to financial figures;
 - c. persons involved in the consolidation of the figures for the financial results;
 - d. persons involved in the preparation of board notes and presentations;
 - e. persons involved in dissemination of information relating to financial results in the public domain;
 - f. any other persons who had access to the information;
 - g. any market intermediaries, fiduciaries and other person/ entities who have access to UPSI for inquiry conducted for leak of such UPSI.
- (ii) at its discretion, invite external investigators/experts;
- (iii) take necessary actions including sending the Suspect on leave, restrict physical access to the office premise, freeze access to systems, electronic devices, emails, etc., during the pendency of the investigations for fair conduct of the proceedings.
- (iv) keep the identity of the Suspect confidential till the completion of inquiry unless it is essentially required for the purpose of investigation.
- (v) notify the Suspect of the allegations at the outset of internal investigation and provide him opportunity to represent his case and submit evidence.
- (vi) do all such acts, deeds, matters and things as are necessary for the purpose of conduct of inquiry.

8. Procedure for Inquiry:

- (i) Upon becoming aware of any leak/ allegation/ suspicion of an Incident pertaining to UPSI, including by way of:
 - a. communication from Investigating Officer or from the regulatory authorities;
 - b. a written complaint or an e-mail from a whistle-blower; or
 - c. internal monitoring mechanisms, the Inquiry Committee shall evaluate and determine if the matter merits inquiry.

It is clarified that market rumours, inferences based on media reports or observations made by analysts etc. will not necessarily trigger an inquiry, and the Inquiry Committee shall have the discretion to decide if an inquiry is required to be undertaken in each case.

- (ii) In the event the Inquiry Committee decides that the matter warrants an inquiry, it shall undertake an initial assessment to analyze the accuracy of the

allegation/ suspicion of the Incident by taking necessary steps, including the following:

- a. assessing the source of the complaint/ allegation/ suspicion;
 - b. assessing the nature of the Incident in order to determine the scope of inquiry, the parties who had access to the UPSI and the manner in which it could have been leaked; and
 - c. conducting interviews with the complainant, in case his/ her identity is known, and other relevant persons.
- (iii) On the basis of the outcome of the initial assessment, the Inquiry Committee shall determine whether:
- a. the alleged/ suspected Incident is frivolous, and requires no further action; or
 - b. the matter requires further diligence and inquiry.
- (iv) The Inquiry Committee shall conduct a detailed inquiry and take all necessary steps, including the following:
- a. identifying the medium through which the leaked UPSI was disclosed/ communicated;
 - b. conducting a confidential investigation into the activities of the persons that handled or had the knowledge of the UPSI in question, in an un-intrusive manner, including by reviewing the relevant documents, audit trails, and by conducting interviews, if necessary;
 - c. appointing external advisors/ consultants/ professionals to assist the inquiry;
 - d. re-assessing the internal controls and measures implemented by the Company for identifying deficiencies, if any, in such controls and measures, and recommending improvements to the same.
- (v) The Inquiry Committee will ensure that the details in relation to the inquiry, including the initial assessment, shall be shared within and outside the Company strictly on a 'need to know' basis. In cases where the inquiry has been initiated based on a complaint from a whistleblower, the Inquiry Committee will keep the identity of the Whistle-Blower confidential.
- (vi) In the conduct of inquiry, the Inquiry Committee shall have due regard to the principles of natural justice, and will provide an opportunity of being heard and making submissions etc., to the persons against whom the allegations of the Incident have been levelled. The Inquiry Committee will be required to duly consider the same while arriving at its conclusions.
- (vii) Upon conclusion of the inquiry:

- a. the Inquiry Committee shall intimate to the Chief Executive Officer who shall further intimate to the Board of its findings, along with a summary of the procedures followed and the action taken;
 - b. if the Inquiry Committee is of the opinion that a leak has occurred and in the event the Inquiry Committee has identified the person(s) responsible for or involved in the leak, it will take appropriate action, take disciplinary and penal action and any other steps it deems fit and necessary such as dismissal, wage freeze, claw back, suspension, recovery and disqualification from future participation in the employee stock options scheme (if any) etc. which will be in addition to the penal provisions stated under SEBI Insider Trading Regulations and any other statutory enactments, as applicable;
 - c. It is clarified that any action taken by the Securities and Exchange Board of India for violation of the Insider Trading Regulations and any other applicable laws shall not preclude the Inquiry Committee from taking any disciplinary, penal or other action.
- (viii) The Inquiry Committee shall strive to conclude the inquiry within thirty (30) days from its commencement and can be extended if the circumstances so warrant.
- (ix) The Company shall also inform the SEBI about the outcome of the inquiry and the steps taken in this regard.
- (x) All Stakeholders shall co-operate with the investigation into an Incident. Failure to cooperate with the investigation shall attract disciplinary action.
- (xi) All the documentation in relation to the investigation shall be documented as per the applicable provisions of law in relation to retention of documents.

9. Complaint Mechanism:

A person can report a leak or a suspected leak of UPSI to the following:

- (i) Chairman of the Audit Committee / Chief Executive Officer;
- (ii) Company Secretary of the Company at mukti.chaplot@indiashelter.in ; (iii) A person can also report:

- a. By e-mail at mukti.chaplot@indiashelter.in
- b. By letter, marked "Private and Confidential" and to the Company Secretary.

10. General

In case of any subsequent changes in the provisions of the SEBI Insider Trading Regulations or any other applicable regulations (“**Regulations**”) which render any of the clauses/ provisions in this Policy inconsistent with the Regulations, the provisions of the Regulations shall prevail.

Further, this Policy shall not in any way preclude any referrals, complaints, measures, actions, etc., which can be instituted or which are available under the existing Vigil Mechanism and Whistleblower Policy of the Company.

11. Amendments

The Board may subject to applicable laws is entitled to amend, suspend or rescind this Policy at any time. Any difficulties or ambiguities in the Policy will be resolved by the Board in line with the broad intent of the Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.

In the event of any conflict between the provisions of this Policy and of the applicable law dealing with the objectives of SEBI Insider Trading Regulations and leak of UPSI, such applicable law in force from time to time shall prevail over this Policy.

Annexure A

Date: [●]

To,
Securities and Exchange Board of India
Plot No. C4-A, 'G' Block
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400051

Dear Sir/ Madam,

Scrip Code: _____

Sub.: Intimation of leak of or suspected leak of unpublished price sensitive information

With reference to the captioned subject matter and pursuant to Regulation 9A(5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, we wish to intimate the following:

Name of Offender or Suspect, if known	
Name of Organization	
Designation	
Nature of the information leaked or suspected to be leaked	
Medium of leak of information or suspected leak of information	
Whether any action initiated by the Company.	Yes / No
If yes, narration of the same	
Any other information	

Request you to kindly take the same on record.

Thanking you,

For and behalf of India Shelter Finance Corporation Limited

Name Designation

Annexure B

Date: [●]

To,

National Stock Exchange Limited
Exchange Plaza, C – 1, Block 'G'
Bandra Kurla Complex, Bandra East
Mumbai – 400051

Or

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400001

Dear Sir/ Madam,

Scrip Code: _____

Sub.: Intimation of leak of or suspected leak of unpublished price sensitive information

With reference to the captioned subject matter and pursuant to Regulation 9A(5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, we wish to intimate the following:

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Nature of the information leaked or suspected to be leaked	
Medium of leak of information or suspected leak of information	
Whether any action initiated by the Company.	Yes / No
If yes, narration of the same	

Any other information	
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Request you to kindly take the same on record.

Thanking you,

For and behalf of India Shelter Finance Corporation Limited

Name

Designation