

**POLICY ON UNPUBLISHED PRICE SENSITIVE INFORMATION AND DEALING IN  
UNITS BY THE PARTIES TO SHREM INVIT**

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**A. Preamble**

This policy on unpublished price sensitive information and dealing in units by the parties to Shrem InvIT (the “**Policy**”) aims to outline the process and procedures for dissemination of information and disclosures in relation to Shrem InvIT (“**Trust**”) on the website of the Trust, to the stock exchanges and to all stakeholders at large. The purpose of the policy is also to ensure that the Trust complies with applicable law, including the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented, including any guidelines, circulars, notifications and clarifications framed or issued thereunder (“**InvIT Regulations**”), or such other laws, regulations, rules or guidelines prohibiting insider trading and governing disclosure of material, unpublished price sensitive information.

**B.** The compliance officer of the Trust (the “**Compliance Officer**”) shall deal with dissemination of information and disclosure of unpublished price-sensitive information<sup>1</sup> (“**UPSI**”), including making periodic disclosures in terms of the Policy for Determining Materiality of Information for Periodic Disclosures as adopted by the board of directors of Shrem Financial Private Limited (the “**Investment Manager**”).

**C.** This Policy shall apply to the parties to the Trust.

**D.** To ensure timely and adequate disclosures, the following norms shall be followed by the Investment Manager as a good corporate disclosure practice:

- (a). The Investment Manager shall promptly disclose to the public all UPSI that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available;
- (b). The Investment Manager shall follow uniform and universal dissemination of UPSI to avoid selective disclosure;
- (c). The Compliance Officer shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumours and then making the disclosure, in accordance with the procedure specified in the Policy for Determining Materiality of Information for Periodic Disclosures;
- (d). The Compliance Officer shall also make an appropriate and fair response to the queries on news reports and requests for verification of market rumours by regulatory authorities, in accordance with the procedure specified in the Policy for Determining Materiality of Information for Periodic Disclosures;
- (e). While dealing with analysts or research persons or large investors like institutions, the Investment Manager shall provide only public information. Alternatively, the information given to analysts or research persons shall be simultaneously made public at the earliest; and

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<sup>1</sup> “Unpublished price-sensitive information” shall have the meaning set forth in Regulation 2(n) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.

- (f). The Investment Manager shall handle all UPSI on a “need to know”<sup>2</sup> basis, provided that UPSI may be disclosed to persons who need such information for furtherance of legitimate purposes, performance of duties or discharge of legal obligations in relation to the Trust.

**E. Trading window**

Unless otherwise specified by the Compliance Officer, the trading window shall remain open for trading in Units of the Trust. Further, no Designated Person shall trade in the Units of the Trust when the trading window is closed.

Notwithstanding the above, the trading window shall be closed for Designated Persons<sup>3</sup>, when the Compliance Officer determines that a Designated Person or class of Designated Persons is reasonably expected to have UPSI, in the event of the following:

- (a). Declaration of financial results;
- (b). Declaration of distribution;
- (c). Any acquisition, disposal or proposed acquisition or disposal of assets of the Trust;
- (d). Change in number of issued and outstanding units;
- (e). Changes in members of the key managerial personnel of the Investment Manager; and
- (f). Any other event which, in the sole determination of the Chief Financial Officer of the Investment Manager or Compliance Officer of the Investment Manager, severally, is UPSI.

The trading window shall remain closed from the end of the period for which financial results are being declared until 48 hours after the declaration of financial results.

The trading window shall remain closed for a period of at least two days prior to the board meeting of the Investment Manager in relation to approval of any of the events specified in clause (b) to (e) above.

The trading window in respect of the information described above, shall be open after 48 hours from such information becoming generally available.

The Designated Persons shall make disclosures to the Compliance Officer or the stock exchanges and the Compliance Officer shall make all disclosures required to be made to the stock exchanges, in accordance with applicable law.

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<sup>2</sup> The term “need-to-know basis” shall mean that UPSI should only be disclosed to, or procured by, such persons who need to share or access the UPSI in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, and whose possession of such UPSI will not give rise to a conflict of interest or amount to the misuse of such UPSI.

<sup>3</sup> “Designated Persons” shall include the Sponsor, the Investment Manager, the Trustee, the Project Manager, the employees of the Trust, Investment Manager, the special purpose vehicles held by the Trust, intermediary or fiduciary designated on the basis of their functional role or access to UPSI by their board of directors or analogous body, the directors and key managerial personnel of the Sponsor, the Investment Manager, the Trustee, the Project Manager, Holdcos and SPVs and employees up to two levels below the [Chief Executive Officer] Departmental Heads of the Investment Manager, any of its intermediaries and fiduciaries irrespective of their functional role in the Investment Manager or ability to have access to UPSI, any support staff of the Parties to the Trust, intermediary or fiduciary, such as IT staff or secretarial staff, having access to UPSI, the auditor, valuer and such employees of these entities, who may be a ‘connected person’ in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, and their immediate relatives.

**F. Policy on leak or suspected leak of UPSI**

**1. Definitions**

- (a). “**Enquiry Committee**” shall mean the enquiry committee constituted by the Board (as defined hereinafter) to investigate instances, allegations or suspicion of a Leak (as defined hereinafter) in accordance with the principles laid down in this Policy.
- (b). “**Leak**” shall mean dissemination of any UPSI by any Designated Person or connected person or any other person in possession of UPSI, to any person other than those persons authorized by the board of directors of the Investment Manager or the Compliance Officer to handle UPSI in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (the “**SEBI Insider Trading Regulations**”), and the term “**Leaked**” shall be construed accordingly.

**2. Procedure for inquiry in case of a Leak or suspected Leak**

- (a). Upon becoming aware of any Leak or any allegations or suspicions of a Leak, including, by way of:
  - (i). communication received from regulatory authorities; or
  - (ii). a written complaint, email or any social media communication received from a whistle-blower; or
  - (iii). Investment Manager’s own internal monitoring, etc.,

the board of directors of the Investment Manager (the “**Board**”) shall, in consultation with the Compliance Officer, evaluate and determine if the matter merits any enquiry or investigation. It is clarified that market rumours, inferences based on media reports, or observations made by analysts, etc. will not be the only determining factors for initiating a preliminary enquiry, and the Board shall, in consultation with the Compliance Officer, have the discretion to decide if a preliminary enquiry is required to be undertaken, in each such case.

- (b). In the event the Board decides that the matter warrants an investigation, it shall promptly constitute an Enquiry Committee, comprising such persons as the Board deems fit, to undertake a fact finding exercise in the matter (the “**Enquiry**”).
- (c). As an initial step, the Enquiry Committee shall undertake a preliminary investigation and analyse the accuracy of the allegation or suspicion of Leak (“**Initial Assessment**”) by taking the necessary steps, such as:
  - (i). assessing the source and type of complaint, allegation or suspicion;
  - (ii). assessing the nature of Leak or suspected Leak, in order to determine the scope of investigation, the parties who had access to the UPSI and the manner in which it could have been Leaked; and
  - (iii). conducting interviews with the complainant, in the event his or her identity is known, and other relevant stakeholders, in connection with the matter and

maintaining confidentiality as to the identity of the complainant as a safeguard against his or her victimization.

- (d). On the basis of the outcome of the Initial Assessment, the Enquiry Committee shall determine if:
- (i). the allegation or suspicion is frivolous or immaterial in nature, and requires no further action; or
  - (ii). the matter requires further internal diligence and investigation.

The Enquiry Committee will report its findings to the Board along with a summary of the process followed, its recommendations and reasons thereof. Based on the report and recommendations of the Enquiry Committee, the Board shall discuss and decide if the matter requires to be investigated further.

- (e). If the Board requires the Enquiry Committee to undertake a detailed investigation, the Enquiry Committee shall conduct the Enquiry and take all requisite steps, including but not limited to, the following:
- (i). identifying the medium through which the leaked UPSI was disclosed or communicated;
  - (ii). conducting a confidential investigation into the activities of the persons that typically handled, or had knowledge of the UPSI in question, in an un-intrusive manner, including by reviewing the relevant documents, audit trails, and conducting interviews, where deemed necessary;
  - (iii). appointing external advisors or professionals to assist in the conduct of Enquiry; and
  - (iv). re-assessing the internal controls and measures implemented by the Investment Manager for identifying deficiencies, if any, in such controls and measures, and recommending improvements to the same.
- (f). The Enquiry Committee will ensure that the details in relation the Enquiry, including the Initial Assessment, are shared within and outside the organisation strictly on a “need to know” basis. In cases where the Enquiry has been initiated based on a complaint from a whistle-blower, the Enquiry Committee will keep the identity of the whistle-blower confidential.
- (g). In the conduct of Enquiry, the Enquiry 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 allegations of Leak have been levelled. The Enquiry Committee will be required to consider the same while arriving at its conclusions.
- (h). Once the Enquiry is concluded:
- (i). the Enquiry Committee will intimate the Board of its findings, along with a summary of the process followed while conducting the investigation;

- (ii). if the Enquiry Committee is of the opinion that a Leak has occurred, and in the event the Enquiry Committee has identified the person responsible for, or involved in the Leak, it will make appropriate recommendations to the Board for the actions to be taken in that regard, including 'disciplinary action' such as dismissal, wage freeze, penalty, suspension, recovery, clawback and ineligibility for future participation in employee stock option plans, etc.; and
  - (iii). it is clarified that any action taken by the Securities and Exchange Board of India ("SEBI") for violation of the SEBI Insider Trading Regulations and any other applicable law shall not preclude the Board from taking any disciplinary action in accordance with the recommendations of the Enquiry Committee. The Board shall, as appropriate, take disciplinary and penal action and any other steps it deems necessary, against the persons identified as being responsible for, or involved in, the Leak.
- (i). The Enquiry Committee shall strive to conclude the Enquiry within 30 working days from its commencement. It is clarified that the period for conclusion of the Enquiry may be extended with the prior permission of the Board, if the circumstances so require.
  - (j). The Board shall also inform SEBI of the outcome of the Enquiry and the steps taken by the Board in that regard.

**G. Disclosure of UPSI for legitimate purposes**

1. The term "legitimate purposes" shall be construed in accordance with the following principles:
  - (i). Sharing of UPSI in the ordinary course of business by any insider with existing or proposed partners, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, valuers, insolvency professionals or other advisors or consultants of any of the Trust, the Sponsor, the Investment Manager, special purpose vehicles of the Trust and the Trustee;
  - (ii). Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the Compliance Officer;
  - (iii). Sharing of UPSI with a court of law or any governmental authority or a regulatory body on the basis of any order issued by them; and
  - (iv). Sharing of UPSI for any other purpose as may be prescribed under the InvIT Regulations or any other applicable regulations, guidelines, circulars or notifications issued by SEBI from time to time or any other law for the time being in force, as may be amended from time to time.
2. The Compliance Officer shall maintain a digital database of all persons with whom UPSI is shared for any legitimate purpose, in the following manner:
  - (i). in case of individuals, details such as name of the recipient of UPSI, name of the organisation with which he or she is affiliated, postal address and e-mail id and Permanent Account Number or in its absence Unique Identification Number allotted by UIDAI, of such persons; and
  - (ii). in case of entities, details such as name of the entity, place of registered office, name of all natural persons associated with the entity having reasonable access to the UPSI and Permanent Account Number of such entity and natural personnel.

The Compliance Officer shall also be responsible to ensure that such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of such database.

3. Any person in receipt of UPSI or having access to UPSI pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of the SEBI Insider Trading Regulations and shall be responsible for maintaining confidentiality of such UPSI. Any person who receives UPSI for legitimate purpose shall also be served a notice prior to sharing of UPSI making them aware of nature of the information, the obligation to maintain confidentiality in compliance with the SEBI Insider Trading Regulations and liabilities attached thereto in case of misuse or unauthorized disclosure or leakage of that information.

#### **H. Conflict with Applicable Law**

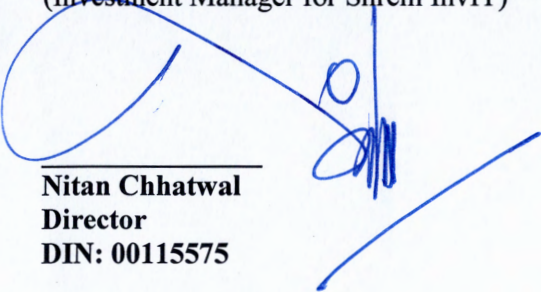
The Policy shall not contradict with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable, and any applicable law. In case of any discrepancy, the provisions of Applicable Law shall prevail over the provisions of this Policy.

- I. Notwithstanding the above, this Policy will stand amended to the extent of any change in applicable law, including any amendment to the InvIT Regulations, without any action from the Investment Manager or approval of the unitholders of the Trust.

Adopted by the board of directors of Shrem Financial Private Limited on behalf of the Trust on February 22, 2021.

-//Certified True Copy//  
**For Shrem Financial Private Limited**  
(Investment Manager for Shrem InvIT)



  
**Nitan Chhatwal**  
Director  
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