

# **GODREJ HOUSING FINANCE LIMITED**

## **Policy for determining legitimate purpose for disclosure of Unpublished Price Sensitive Information (UPSI)**

## 1. Background:

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (“SEBI PIT Regulations”) as amended from time to time, requires every listed Company, *inter alia*, to:

Regulations	Requirement
Regulation 3 (2A)	Formulate a policy for determination of legitimate purpose
Regulation 9A (5)	Formulate written policies and procedures for inquiry in case of leak of unpublished price sensitive information (“UPSI”) or suspected leak of UPSI. The procedure for handling leak has been provided in <b>Annexure A</b> .

Accordingly, this Policy has been formulated to comply with relevant SEBI PIT Regulations.

## 2. Definition:

- i) **Chief Investor Relations Officer (“CIO”)** shall mean the Compliance Officer of the Company, or any other senior officer of the Company appointed by the Board of Directors.
- ii) **Disciplinary Action** means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- iii) **"Insider"** means any person who is:
  - Connected person, or
  - in possession of or having access to unpublished price sensitive information.
- iv) **“Legitimate Purpose”** shall include 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 regulations.

All the other terms used in the Policy shall have the same meaning as assigned to them under the SEBI PIT Regulations.

## 3. Scope

- i. The Company endeavors to preserve the confidentiality of UPSI and to prevent misuse of such information.
- ii. The Company shall restrict and prohibit the practice of sharing of UPSI which originates from within the Company by any Promoter, Director, Key Managerial Person, Insider, Employee, Designated Person, Support Staff or any other known or un-known person(s) with any un-authorized person which affects the market price of the Company as well as causes loss of reputation and investors’ / financiers’ confidence in the Company.

iii. This Policy is an extension of the GHFL - Insider Trading - Code of Conduct.

**4. Restrictions:**

Till the UPSI becomes a generally available information, UPSI can be shared with Insider only on a need to-know basis and for legitimate purpose as provided under this Policy and a due notice will be issued to the Insider to maintain confidentiality of UPSI shared for legitimate purpose.

**5. Duties of CIO**

The CIO shall be responsible to:

- i. To oversee the compliance of this Policy,
- ii. To report the incident of actual or suspected leak of UPSI inquiries thereto and results thereof to SEBI,
- iii. To intimate the incident of actual or suspected leak of UPSI to the Stock Exchanges, if necessary,
- iv. To co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI to the Board or Chairperson or Managing Director.

**6. Disclosure of actual or suspected leak of UPSI to Stock Exchanges & SEBI:**

On becoming aware of actual or suspected leak of UPSI of the Company, the CIO shall ensure that a report on such actual or suspect leak of UPSI, preliminary enquiry thereon and results thereof shall be promptly intimated to the Stock Exchanges on which the securities of the Company are listed in the format as set out in, “**Annexure I**” to this Policy.

**7. Report of actual or suspected leak of UPSI to SEBI:**

On becoming aware of actual or suspected leak of UPSI of the Company, the CIO shall ensure that a report on such actual or suspect leak of UPSI, preliminary enquiry thereon and results thereof shall be promptly informed to SEBI in the format as set out in “**Annexure II**” to this Policy.

**8. Conduct of Enquiry:**

The person(s)/committee authorised by the Board or Chairperson or Managing Director is authorized to conduct enquiries in accordance with this Policy.

**9. Responsibility of the person/committee in enquiry process:**

- i. To conduct a preliminary enquiry to ascertain the truth contained in the information or complaint pertaining to actual or suspected leak of UPSI, if any,
- ii. To authorize any person, if required, to collect necessary support material,
- iii. To consider the facts and circumstances and decide / direct on the matter,
- iv. To decide disciplinary action thereon.

**10. Digital Database:**

- a) The Board of Directors of the Company shall ensure that a structured digital database

is maintained containing the nature of UPSI and the names of such persons who have shared the information and also the names of such persons with whom UPSI is shared, as the case may be, under Regulation 3 of SEBI PIT Regulations along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database will not be outsourced and shall be maintained internally with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.

- b) The Board of Directors of the Company shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in event of receipt of any information from the Securities and Exchange Board of India ("SEBI") regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

**11. Review, Modification & Changes:**

- There shall be an annual review of the Policy by the Board of Directors,
- Board of Directors can at any time modify or amend, either the whole or any part of Policy, within the regulatory framework.

## Annexure A

### PROCEDURE FOR INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

Procedure for enquiry in case of leak of UPSI are as follow:

- a. On *suo-motu* becoming aware or otherwise on a complaint received in writing or by email at [ghfl.secretarial@godrejhf.com](mailto:ghfl.secretarial@godrejhf.com) of actual or suspected leak of UPSI of the Company by any person in possession of or having access to UPSI, the below mentioned procedure will be followed in order to enquire and/or otherwise investigate the matter.
- b. The written/email complaint shall *inter alia*, state particulars of the complaine, details of the complaint and shall be addressed to the Board or the Chairperson or the Managing Director of the Company.
- c. The CIO shall immediately on receipt of the complaint, initiate all such proceedings and enquiries as may be required to gather information regarding the alleged leak of UPSI.

#### a) To take Cognizance of the matter:

The CIO shall within a period of 4 (four) days after receipt of the information of actual or suspected leak of UPSI and take cognizance of the matter and decide as follows:

- i. If it is found that the allegation is frivolous, not maintainable or outside the scope, the same may be dismissed.
- ii. If it is found that the issue requires further investigation, Preliminary Enquiry may be initiated.

#### b) Preliminary Enquiry:

Preliminary enquiry is a fact-finding exercise which shall be conducted by the CIO. The object of preliminary enquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark any disciplinary action.

The CIO if required may appoint and / or authorize any person(s), as it may deem fit, to initiate/conduct an enquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI.

#### c) Report of Preliminary Enquiry:

The CIO or Person(s) appointed/authorized to enquire the matter of actual or suspected leak of UPSI submit his/her report to the Board or the Chairperson or the Managing Director of the Company within 7 (seven) days from the date of his appointment on this behalf.

#### d) Disciplinary Action:

The CIO or Person(s) appointed/authorized to enquire the matter shall, basis the Report of the Preliminary Enquiry, take disciplinary action against the complaine. The Disciplinary Action(s) shall include, wage freeze, suspension, recovery, claw back, termination etc., as

may be decided by the Board or the Chairperson or the Managing Director of the Company, in addition to the penal provisions under GHFL Code of Conduct for prevention of Insider Trading or SEBI Act or any other statutory enactments, as applicable.

**Annexure I**  
**Format for Intimation of Actual or Suspected leak of UPSI to the Stock Exchanges**  
*(Pursuant to Regulation 51 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015)*

To,  
**BSE Limited**  
P. J. Towers, Dalal Street, Fort  
Complex, Mumbai – 400 001.

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla  
Bandra (East), Mumbai – 400 051.

**Ref.:** BSE Scrip Code No. “”

**Ref:** “ .....

Dear Sir / Madam,

**Sub: Intimation of actual or suspected leak of UPSI pursuant to Regulation 51 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.**

Pursuant to Regulation 51 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows:

<b>Name of Offender, if known.</b>	
<b>Name of Organization.</b>	
<b>Designation (Employee, Insider, Designated Person or any other)</b>	
<b>Nature of Information</b>	
<b>Whether any action initiated by the Company.</b>	Yes/No
<b>If yes, narration of the same</b>	
<b>Any other information.</b>	

Request you to take the aforementioned on your records.

Thanking you,  
Yours faithfully,

**For Godrej Housing Finance Limited**

**Compliance Officer**

## Annexure II

**Format for Reporting Actual or Suspected leak of UPSI to SEBI**  
(Pursuant to Regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015)

To,  
**Securities and Exchange Board of India**  
Plot No. C 4-A, G Block,  
Near Bank of India, Bandra Kurla  
Complex, Bandra East, Mumbai – 400  
051, Maharashtra

**Ref.:** BSE Scrip Code No. ""

**Ref:** ""

Dear Sir / Madam,

**Sub: Report of actual or suspected leak of UPSI pursuant to regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015.**

Pursuant to Regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information ("UPSI") of the Company, as follows:

<b>Name of Offender, if known.</b>	
<b>Name of Organization.</b>	
<b>Designation (Employee, Insider, Designated Person or any other)</b>	
<b>Nature of Information</b>	
<b>Whether any action initiated by the Company. If yes, narration of the same</b>	Yes/No
<b>Any other information.</b>	

Request you to take the aforementioned on your records.

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**For Godrej Housing Finance Limited**

**Compliance Officer**