



THE FIRST CUSTODIAN FUND (INDIA) LIMITED

POLICY AND PROCEDURES FOR INQUIRY IN CASE OF LEAK OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

Date of Issue: 14th February, 2020



Policy and Procedures for Inquiry in Case of Leak or Suspected Leak of Unpublished Price Sensitive Information

[Under Regulation 9A(5) of Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015]

1. INTRODUCTION:

This Policy and Procedure for Inquiry in case of Leak or Suspected Leak of Unpublished Price Sensitive Information (“Policy”) has been formulated by The First Custodian Fund (India) Limited (“Company”) in pursuance of regulation 9A(5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended (“Regulations”) and shall be effective from 14th February, 2020.

2. PURPOSE:

The Policy aims to provide a framework for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information. However, any instances of leak or suspected leak of Unpublished Price Sensitive Information reported under the Whistle Blower Policy of the Company shall be dealt with as per and under the Whistle Blower Policy of the Company.

3. DEFINITIONS:

In this Policy, the following words and expressions, unless inconsistent with the context, shall bear the meanings assigned hereto:

“Competent Authority” means:

- (i) the Managing Director, in case of leak or suspected leak of UPSI involving any person other than the Director(s) of the Company;
- (ii) the Chairperson of the Audit Committee of the Company, in case of leak or suspected leak of UPSI involving any Director of the Company other than the Chairperson of the Audit Committee of the Company; and
- (iii) Chairperson of the Board of Directors of the Company, in case of leak or suspected leak of UPSI involving Chairperson of the Audit Committee of the Company;



“Unpublished Price Sensitive Information” or “UPSI” means any information, relating to the Company or its Securities, directly or indirectly, that is not generally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 and shall, ordinarily including but not restricted to, information relating to the following:

- (i) Financial results;
- (ii) Dividends;
- (iii) Change in capital structure;
- (iv) Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and
- (v) Changes in key managerial personnel.

The words and expressions used but not defined herein shall have the meanings as ascribed to them in the Regulations.

4. INQUIRY PROCEDURE:

- i) The information/complaint(s) regarding leak or suspected leak of UPSI will be reviewed by the Competent Authority. If an initial review by the Competent Authority indicates that the said information/complaint has no basis or it is not a matter to be investigated under this Policy, it may be dismissed at initial stage and the decision shall be documented. All such cases shall be reported to the Audit Committee in its next meeting.
- ii) The Managing Director of the Company or the Chairperson of the Audit Committee or Chairperson of the Board of Directors may suo-moto initiate an inquiry under this Policy.
- iii) Where initial inquiry indicates that further investigation is necessary, the Competent Authority shall make further investigation in such matter and may, where necessary, provide an update to the Board of Directors in this regard. The Competent Authority may appoint one or more person(s)/entity(ies) (including external consultant(s)) to investigate or assist in the investigation of any instance of leak or suspected leak of UPSI and such person(s)/entity(ies) shall submit his / her/ their report to the Competent Authority. During the course of investigation, the Competent Authority or the person(s) / entity(ies) appointed by the Competent Authority, as the case may be, may collect documents, evidences and record statements of the person(s) concerned.



- iv) The investigation shall be a neutral fact-finding process. The Competent Authority shall endeavor to complete the investigation within 45 days of the receipt of the information / complaint of leak or suspected leak of UPSI or such instance coming to the knowledge of Competent Authority, as the case may be. Where the Competent Authority requires additional time to complete the inquiry, it may, where necessary, provide an interim update to the Board of Directors.

5. DOCUMENTATION AND REPORTING:

The Competent Authority will make a detailed written record of investigation of each instance of leak or suspected leak of UPSI. The record will include:

- a) Facts of the matter
- b) Findings of the investigation.
- c) Disciplinary/other action(s) to be taken against any person.
- d) Any corrective actions required to be taken.

The details of inquiries made in these cases and results of such inquiries shall be informed to the Audit Committee and Board of Directors of the Company. Further, the Company shall inform Securities and Exchange Board of India promptly of such leaks, inquiries and results of such inquiries.

6. AMENDMENT:

The Board of Directors of the Company reserves the right to amend or modify this Policy in whole or in part, as it may deem appropriate.