

NARAYANA HRUDAYALAYA LIMITED



Code of Conduct for Insider
Trading and Fair Disclosure of
Unpublished Price Sensitive Information

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1. INTRODUCTION

The Securities and Exchange Board of India (SEBI), for protection of investors and to regulate the securities market, had formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“The Regulations”) under the powers conferred on it under the SEBI Act, 1992. These Regulations come into force w.e.f. May 15, 2015 and the same is applicable on to all companies whose shares are listed on Indian Stock Exchanges.

The Insider Trading regulations envisage listed Companies or proposed to be listed Companies to formulate a new code of conduct to regulate monitor and report trading by its Designated persons and Connected Persons by adopting the prescribed minimum standards for achieving compliance with these regulations and establishing principles for fair disclosure of Unpublished Price Sensitive Information.

The Code of Conduct for Insider Trading and Fair Disclosure of Narayana Hrudayalaya Limited (NHL) has been framed in accordance with Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

Further, SEBI (Prohibition of Insider Trading) (Amendment) Regulation 2018 notified on December 31, 2018 and subsequent amendment to the Regulations notified on January 21, 2019 requires every listed Company, inter alia, to formulate a policy for determination of ‘Legitimate purpose’ as a part of this code formulated under Regulation 8 of the Regulations which shall be applicable from April 1, 2019.

2. PURPOSE AND APPLICABILITY

This Code has been formulated to maintain the highest ethical standards while dealing in Securities of the Company by the Insiders. The purpose of the Code is also put in place a framework for prohibition of insider trading in securities, and to strengthen the legal framework thereof.

This Code of NHL is applicable to the following persons:

1. Promoters including members of Promoter Group
2. Directors
3. Designated Persons and their immediate relatives
4. Connected persons as defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015

3. IMPORTANT DEFINITIONS

In this policy the following definitions have been adopted:

“**Act**” means the Securities and Exchange Board of India Act, 1992 (15 of 1992), as amended.

“**Board**” means the Securities and Exchange Board of India.

“**Company**” means Narayana Hrudayalaya Limited.

“**Compliance Officer**” means Company Secretary of the Company or such other senior officer as may be appointed by the Board of Directors of the Company who is financially literate and is capable of appreciating requirements of legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring and adherence to the rules for preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in this Code of Conduct and Compliance Officer shall function and carry out his responsibilities under the overall supervision of the Board of Directors of the Company.

Explanation – for the purpose of this regulation “financial literate” shall mean a person, who has ability to read and understand basic financial statement like Balance Sheet, Statement of Profit and Loss, Cash Flow statement etc.

“Adviser / Consultants / Retainers” of the Company means such Advisers or Consultants or Retainers or Professionals who in the opinion of the Company may have access to unpublished price sensitive information.

“Connected Person” means-

(I) Any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

(ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be Connected persons unless the contrary is established:

- (a) an Immediate Relative of Connected persons specified in (I); or
- (b) a holding company or associate company or subsidiary company; or
- (c) an intermediary as specified in section 12 of the SEBI Act or an employee or director thereof; or
- (d) an investment company, trustee company, asset management company or an employee or director thereof; or
- (e) an official of a stock exchange or of clearing house or corporation; or
- (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
- (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- (h) an official or an employee of a self-regulatory organization recognized or authorized by the Board; or
- (i) a banker of the company; or
- (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his Immediate Relative or banker of the company, has more than 10 percent of the holding or interest;

NOTE: It is intended that a connected person is one who has a connection with the company that is expected to put him in possession of unpublished price sensitive information. Immediate relatives and other categories of persons specified above are also presumed to be connected persons, but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may not seemingly occupy any position in a company but are in regular touch with the company and its officers and are involved in the know of the company’s operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about any company or class of companies by virtue of any connection that would put them in possession of unpublished price sensitive information.

“Designated Person” means a person as defined in Clause 5 of the Code.

“Generally Available Information” means information that is accessible to the public on a non-discriminatory basis. Information published on the website of a stock exchange, would ordinarily be considered generally available.

“Immediate Relative” means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities.

“Insider” means any person who is:

- (i) a Connected Person; or
- (ii) In possession of or having access to unpublished price sensitive information.

“Insider trading” refers to the purchase or sale of a security while in possession of “material” “non-public” information relating to the security. “Securities” include not only stocks (including American/Global Depository Receipts/Shares), bonds, notes and debentures, but also options, warrants and similar instruments. “Purchase” includes not only the actual purchase of a security, but any contract to purchase or otherwise acquire a security. “Sale” includes not only the actual sale of a security, but any contract to sell or otherwise dispose of a security. These terms (Purchase and Sale) extend to a broad range of transactions including conventional cash-for- stock transactions, conversions, the grant and exercise of stock options and acquisitions and exercises of warrants or puts, calls or other options related to a security. It is generally understood that Insider trading includes the following:

- i. Trading by Insiders while in possession of material, non-public information;
- ii. Trading by persons other than Insiders while in possession of material, non-public information where the information either was given in breach of an Insider’s fiduciary duty to keep it confidential or was misappropriated; or
- iii. Communicating or tipping material, non-public information to others, including recommending the purchase or sale of a security while in possession of such information. It should be noted that material non-public information need not be directly related to the issuer of a security for trading to be Insider trading. For example, trading while in possession of non- public information about a subsidiary company, which is material to the parent corporation, would be Insider trading.

“Key managerial personnel (KMP) “means and includes: —

- i. the Chief Executive Officer or the Managing Director or Whole-time director or the Manager;
- ii. the Chief Financial Officer; and
- iii. the Company Secretary
- iv. Such other officer as may be appointed by the Board of Directors of the Company as Key Managerial Person.

“Material facts”

The materiality of a fact depends upon the circumstances. A fact is considered “material” if:

- i. There is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell or hold a security or where the fact is likely to have a significant effect on the market price of the security.
- ii. Material information can be positive or negative and can relate to virtually any aspect of the business of a company or its affiliates or to any type of security, debt or equity.

Examples of material information include (but are not limited to) facts concerning:

- i. Dividends;
- ii. Corporate earnings or earnings forecasts;
- iii. Business performance developments, such as number of customers; mergers or acquisitions; major litigation; Significant borrowings or financing; defaults on borrowings; and bankruptcies;
- iv. Issues of securities or buyback of securities;
- v. Any major expansion plans or execution of new projects;
- vi. Amalgamation, mergers or takeovers;
- vii. Disposal of whole or substantial part of the undertaking; and

viii. Any significant changes in policies, plans or operations of the Company.

Moreover, material information does not have to be related to a company's business. For example, the contents of a forthcoming newspaper column that is expected to affect the market price of a security can be material.

"Non-public Information" Information is "non-public" if it is not available to the public. In order for information to be considered public, it must be widely disseminated in a manner making it generally available to investors by distribution to Stock Exchanges, where Company's shares are listed or through such media as Press and Television, Journals or similar broad distribution channels or the press media in India and abroad. The circulation of rumors, even if accurate and reported in the media, does not constitute effective public dissemination.

In addition, even after a public announcement, a reasonable period must lapse in order for the market to react to the information. Generally, one should allow approximately 48 hours following publication as a reasonable waiting period before such information is deemed to be public.

"Need to Know" basis means that unpublished price sensitive information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to any conflict of interest or appearance of misuse of information.

"Promoter" and **"Promoter Group"** shall have same meaning assigned to it under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any amendment thereof.

"Securities" means Securities or Voting Rights of NHL, which are listed in any Stock Exchange, excluding Debentures that are not convertible, either fully or in part into Equity Shares and includes derivatives.

"Trading or Trade" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.

"Trading Day" means a day on which the recognized stock exchanges are open for trading.

"Trading window" -Trading window shall refer to specified period during which the trading in securities of the Company is permitted. During the closure of Trading Window, trading in securities of the Company is prohibited for Designated Persons and is restricted for other employees.

"Unpublished Price Sensitive Information (UPS)" means any information, relating to a 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, delisting, disposals and expansion of business and such other transactions; and
- v. changes in key managerial personnel.

4. RESTRICTION ON COMMUNICATION AND TRADING BY INSIDERS

The Regulations and this Code inter alia prohibit an Insider:

From communicating, providing, or allowing access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other Insiders except as provided under Regulations 3(3) of the Regulations. As per this Regulation, an Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured, in connection with transaction that would:

- i. Entail an obligation to make an open offer under the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 where the Board of Directors of the Company is of informed opinion that the proposed transactions are in the best interest of the Company.
- ii. Not attract the obligation to make an open offer but where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interests of the Company and the Unpublished Price Sensitive Information is disseminated to be made generally available at least 2 trading days prior to the proposed transaction being effected.
- iii. This prohibition does not apply where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligation.

5. DEALING IN SECURITIES BY DESIGNATED PERSON

- i. In addition to the prohibitions on Insider described in Clause 4 above, this code imposes certain additional responsibilities and restrictions on certain categories of persons, who are defined below as Designated Persons.
- ii. A “**Designated Person**” includes an employee, who, on account of his position/grade/cadre or nature of duties /function, is likely to be in possession of Unpublished Price Sensitive Information of the Company or the Securities or may appear to outsiders to be in possession of Unpublished Price Sensitive Information relating to the securities.
- iii. The following categories or persons are notified as Designated Persons for the purpose of this code:
 - a. Directors
 - b. Promoter and promoter group
 - c. Key Managerial Personnel
 - d. All Employees in level 7 and above on the basis of his functional role as may be decided by the compliance officer.
 - e. All Employees in Corporate Finance, Secretarial, Legal, Business Development.
 - f. Management Information System, Business Analytics Department, Pricing and any other employee/consultant on the basis of his functional role as may be decided by the Compliance Officer.
 - g. All direct reportees of the CEO
 - h. Employees designated as Senior Management
 - i. Executive Secretaries of the Director of the Company
 - j. Auditors
 - k. Invitees to the board meeting and committee meetings
 - l. And such other persons as may be notified by the Compliance Officer as per direction of the Board.

(iv) Designated persons shall disclose names and PAN, or other identifier authorized by law, of the following persons in the format annexed as “Form No 10” on annual basis and as and when the information changes:

- a) Designated person him/herself
- b) Immediate relatives of designated person
- c) Persons with whom such designated person(s) has a material financial relationship

d) Phone/cell numbers which are used by them

Explanation: The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.

6. RESPONSIBILITIES AND RESTRICTIONS ON DESIGNATED PERSONS

The special responsibilities and restrictions imposed on Designated Persons (DP) are:

- i. Furnish certain onetime and periodical information relating to holding and transactions in Securities by self and Immediate Relatives.
- ii. Obtain prior clearances of the Compliance Officer before dealing in Securities exceeding such threshold limit as may be notified from time to time.
- iii. Not to deal in Securities/exercise ESOP, if any, during Trading window closure periods as may be notified generally or from time to time.
- iv. Preserve Unpublished Price Sensitive Information.
- v. Not to apply for pre-clearance and not trade when in possession of Unpublished Price Sensitive Information even though the Trading Window Closure period is not notified till such time the Unpublished Price Sensitive Information becomes generally available.
- vi. Not to execute contra trade within a period of 6 months from the date of last transaction either by self or through Immediate Relatives.
- vii. Preserve Unpublished Price Sensitive Information.
- viii. Not to discuss or disclose Price Sensitive Information in public places.
- ix. Designated persons shall not communicate, provide or allow access to any unpublished price sensitive information, relating to the Company or Securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligation.
- x. Not to pass on any Price Sensitive Information to any person (including but not limited to his or her family members, friends, business associates etc.) directly or indirectly by way of making recommendation for trading in Company’s securities.

If such transactions are executed in violation of this provision, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI.

Such persons may however apply to the Compliance Officer for waiver of the restriction on contra trade, if there is a need to sell the said securities due to personal emergency.

Every Designation Person is required to maintain strict confidentiality of all Unpublished Price Sensitive Information and prohibited from passing on such information to any person directly or indirectly. Attention is specifically drawn to 3(1) of PIT Regulations, which prohibits an Insider to communicate, provide, or allow access to any Unpublished Price Sensitive Information relating to the Company or its securities listed or proposed to be listed. Files are required to be kept secure. All information within the organization shall be handled on need to know basis.

When a person who has traded in securities has been in possession of unpublished price sensitive information, his/her trade would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

7. POLICY FOR DETERMINATION OF “LEGITIMATE PURPOSES”

- i. Legitimate Purpose shall include sharing of unpublished price sensitive information in ordinary course of business by an Insider with Partners, Collaborators/ Lenders, Customers, Suppliers, Merchant Banker, 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 these regulations.
- ii. Any person in receipt of unpublished price sensitive information pursuant to a legitimate purpose shall be considered an "insider" for purposes of the SEBI PIT Regulations and due notice shall be given to such person to maintain confidentiality of such unpublished price sensitive information in compliance with the said Regulations. Such person is also required to ensure the confidentiality of unpublished price sensitive information shared with him /her, in compliance with the SEBI PIT Regulations.
- iii. **Sharing of UPSI for Legitimate purpose:** The UPSI shall be shared by any person(s) authorized by the Board of Directors or Compliance Officer of the Company in this behalf, only in furtherance of legitimate purpose(s) which shall include the following;
 - a. Sharing of UPSI in the ordinary course of business by any Insider, Designated Person, or by any Authorized person with existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants.
 - b. Sharing of UPSI where such communication is in furtherance of performance of duty (ies).
 - c. Sharing of UPSI for discharge of legal obligation(s).
 - d. Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the Company.
- iv. Unpublished Price Sensitive Information, such as Financial Results, declaration of Dividends, proposal of Corporate Restructuring, diversification, expansion acquisition in the stake of other entities, etc. shall be handled within the Company on a need-to-know basis, and shall be disclosed only to those who need such information to discharge their duties or legal obligations by virtue of their respective role and function, whose possession of such information will not give rise to a conflict of interest or appearance of misuse of such information.
- v. **Maintenance of structured digital database** - *The Board of directors through the Compliance Officer shall maintain a structured digital database containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom information is shared along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such database shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. This digital database shall be preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Securities And Exchange Board of India regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.
- vi. **Mechanism of Internal control: For ensuring adequate and effective system of internal controls in line with the amended regulations, the following procedure shall be followed:**
 - a. Any person in receipt of Unpublished Price Sensitive information pursuant to legitimate purpose shall be considered Insider for the Code.
 - b. Notice shall be served on such person by way of email/ letter to maintain confidentiality while in possession of such Unpublished Price Sensitive information.
 - c. The company shall execute Non-Disclosure Agreement with whom the Company has shared Unpublished Price Sensitive information and parties with whom the Company intends to share any Unpublished Price Sensitive Information.
 - d. The Compliance officer in discussion with KMPs shall formulate and implement internal controls for effecting administration of this policy.

8. TRADING PLANS

Insider who may be perpetually in possession of Unpublished Price Sensitive Information are entitled to formulate a trading plan to enable them to plan for trades to be executed in future and present it to the

Compliance Officer for approval and public disclosure. Upon approval of the Trading Plan, the Compliance Officer shall notify the plan to the Stock Exchanges on which the Securities are listed.

The Insiders-

- i. Shall commence trading under such trading plan only after a period of 6 months has elapsed from the date of public disclosure.
- ii. Shall not trade for a period between the 20th trading day prior to the last day of any financial period for which results are required to be announced by the Company and 2nd trading day after the disclosure of such financial results.
- iii. Shall not be entitled to trade under the trading plan for a period of less than 12 months.
- iv. Shall not form a trading plan when another trading plan is already in use.
- v. Shall either set out the value of trade to be effected or the number of securities to be traded along with the nature of the trade and the intervals at or dates on which such trades shall be affected.
- vi. Shall not use trading plans for trading in securities for market abuse.
- vii. Shall mandatorily implement the plan without being entitled to either deviate from it or execute any trade outside the scope of the Trading Plan. Thus, the Trading Plan, once published, shall be irrevocable.

However, the Insider shall not commence trading under trading plan if any Unpublished Price Sensitive Information in his possession at the time of formulation of the plan has not become generally available information at the time of commencement of the plan. In such cases, the Compliance Officer will confirm the commencement ought to be deferred. The Compliance Officer shall review the trading plan to assess whether the plan has the potential for violation of the Regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

9. PROVIDING ONE TIME INFORMATION

1. Every promoter, member of the promoter group, key managerial personnel and director of every company whose securities are listed on any recognized stock exchange shall disclose his holding of securities of the company as on the date of these regulations taking effect, to the company within thirty days of these regulations taking effect.
2. **Every person on appointment as key managerial personnel or a director of the company or upon becoming a promoter or member of the promoter group shall disclose his holding of securities of the company as on the date of appointment or becoming a promoter, to the company within seven days of such appointment or becoming a promoter.*

10. PROVIDING PERIODICAL/ EVENT BASED INFORMATION BY DESIGNATED PERSONS

- Every Designated Person, promoter, member of promoter group of the Company shall disclose in Form 3 to the Company, the number of securities acquired or disposed of within 2 trading days of such transaction, if the aggregate value of securities traded, whether in one transaction or series of transaction over any calendar quarter, exceeds Rs. 10 lakhs.
- It is hereby clarified that the value of securities traded will include the aggregate of purchases as well as sale of securities.
- The Company shall notify the particulars of such trading to the Stock Exchanges on which the securities are listed within 2 trading days of receipt of the disclosure or from becoming aware of such information.

- If so demanded by the Compliance Officer, Designated Person shall furnish copies of account statements of securities, or such other document as may reasonably be required by the Compliance Officer, in order to enable him to verify the accuracy of the information furnished and monitor adherence with this code, by Designated Persons. Such statement or other document is required to be submitted within 7 calendar days of demand or within such extended period as may be allowed by the Compliance Officer.
- The Compliance Officer may, require any other Connected Persons to disclose the holding and trading in securities of the Company at such frequency as he may determine, in Form 4
- The Compliance Officer shall maintain records of all the declarations in an appropriate form for a minimum period of 5 years from the date of filing with the Company thereof.

11. PRE-CLEARANCE OF DEALING

- Every Designated Person is required to obtain pre-clearance from the Compliance Officer by making an application in Form 5 before he and/or any of his Immediate Relatives, deals in securities (either buy/acquire or sell/dispose).
- The application shall be made together with an undertaking to the Company in Form 6. The undertakings shall state that the Designated Person is not in possession of Unpublished Price Sensitive Information relating to securities at the time of signing of the undertaking and that should he/she receive any such Unpublished Price Sensitive Information after signing but before execution of the transaction, he/she will refrain from executing transaction. The Company shall give order for approval of pre-clearance in Form 7 within 2 days from the date of receipt of the application
- Designated Person and/or any of his Immediate Relatives shall execute their order in respect of securities of the Company within one week after the approval of pre-clearance is given. The Designated Person and /or any of his Immediate Relatives shall file within 2 days of the execution of the deal, the details of such deal with the Compliance Officer in Form 8.
- The application for pre-clearance if granted shall be valid for 7 days starting from the date of pre-clearance. In other words, the pre-cleared transaction is required to be executed within 7 days starting from the date of pre-clearance, failing which pre-clearance would be required to be sought afresh.
- Trades of the Compliance Officer which requires pre-clearance in terms of the above shall be approved by the Chairman of the Company and the responsibilities with regard to Compliance Officer shall lie on the Chairman mutatis mutandis.
- Any violation of this declaration and undertaking is liable to attract the serious consequences of default specified in Clause 16 of this Code.

12. TRADING WINDOW AND PROHIBITION ON DEALING DURING WINDOW CLOSURE

The Company shall specify a trading period, to be called "Trading Window", for trading in the Company's securities. When the Trading Window is closed, all Designated Persons (including their Immediate Relatives) shall not trade in the Company's securities in such period. The trading window shall be closed during the time the information referred to in para (ii) of this clause is unpublished.

- The Trading Window is also applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.
- The trading window shall be, inter alia, closed:
 - From the date of announcement of Board Meeting for Declaration of financial results;
 - From the date of announcement of Board Meeting for Declaration of Dividends;

- c. From the date of announcement of Board Meeting held to approve change in Capital Structure or further issuance of securities by way of Public/Right/Bonus, etc.;
 - d. From the date of announcement of Board Meeting held to approve Mergers, de-mergers, takeovers, acquisitions, buy-back, delisting, disposals and expansion of business and such other transactions;
 - e. From the date of announcement of Change(s) in Key Managerial Personnel;
 - f. From the date of announcement of such Material events in accordance with the listing agreement; and
 - g. For such period and for any such other event as may be deemed fit by the Compliance Officer.
- iii. The time for re-opening of trading window shall be determined by the Compliance Officer taking into account various factors including the Unpublished Price Sensitive Information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than 48 hours after the information referred to in para ii of this clause becomes public/generally available.
 - iv. All Designated Persons (including their Immediate Relatives) shall conduct all their dealings in the Securities of the Company only in a valid trading window after procuring pre-clearance as referred under clause 11 of this Code, or as per approved trading plan and shall not deal in any transaction involving the purchase or sale of the Company's Securities during the periods when trading window is closed, or during any other period as may be specified by the Company from time to time.

13. OBLIGATION ON EMPLOYEES OTHER THAN DESIGNATED PERSONS

- i. Every employee of the Company (other than Designated Person) shall disclose in Form 9 to the Company the number of securities acquired or disposed of within 2 trading days of such transaction if the aggregate value of securities traded, whether in one transaction or series of Transactions over any calendar quarter, exceeds 10 lakhs.
- ii. If so demanded by the Compliance Officer, employees other than Designated Persons shall furnish copies of account statements of securities, or such other document as may reasonably be required by the Compliance Officer, in order to enable him to verify the accuracy of the information furnished and monitor adherence with this code, by Designated Persons. Such statement or other document is required to be submitted within 7 calendar days of demand or within such extended period as may be allowed by the Compliance Officer.

14. DEALING IN CASE OF SUSPECTED LEAK OR LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)

i. Inquiry for Leakage for UPSI

All UPSI shall be handled on a need to know basis only. In case of any UPSI is proposed to be provided, the person proposing to provide the information shall consult Chief Financial Officer / Company Secretary / Chairman and Managing Director in advance.

In case any UPSI is leaked or is suspected to be leaked by any Insider, the Compliance Officer will investigate the matter and collect / gather the evidences and will report to the Chairman of Audit, Risk and Compliance Committee. The Chairman of the Audit Committee will thereafter convene meeting of Audit Committee depending on severity of the matter.

ii. Process for Inquiry

All the matters concerning leak of UPSI or suspected leak of UPSI, will be thoroughly investigated by Compliance Officer. Such Officer may at their discretion, consider involving external investigators for the purpose of the investigation.

The Compliance Officer may ask the concerned Insider to remain present for investigation, discussion etc. and for such investigation task team may ask for personal bank account statement or such other details or documents as it deems fit.

iii. Report to Audit Committee for appropriate action

The Compliance Officer will report to the Chairman of the Audit & Risk Management Committee and upon receipt of Report by the Chairman, he will convene meeting of the Audit Committee, depending on severity of the matter. The Audit Committee based on such Report decide the suitable action based on severity of the matter.

15. PRINCIPLES OF FAIR DISCLOSURE WITH RESPECT TO UNPUBLISHED PRICE SENSITIVE INFORMATION

- i. Compliance Officer, shall deal with dissemination of information and disclosure of unpublished price sensitive information.
- ii. The Company to make prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- iii. The Company would ensure uniform and universal dissemination of unpublished price sensitive information like publication of policies related to Dividend, if any, inorganic growth pursuits, etc. to avoid selective disclosure, thereby providing equality of access to such price sensitive information to all concerned.
- iv. Post making the Unpublished Price Sensitive Information public i.e. dissemination to the Stock Exchange(s), if required and as deemed appropriate Head -Corporate Communications will intimate the same to media and Chief Investor Relation Officer will disseminate such information to investors and analysts.
- v. The Company shall promptly disseminate unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- vi. Executive Chairman, Executive Vice Chairman, CEO, CFO, Compliance Officer, Investors Relations Officer and Head Corporate Communications shall jointly and/or severally give appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- vii. The above said personnel of the Company to ensure that information shared with analysts and research personnel is not unpublished price sensitive information.
- viii. The Investor Relations Officer shall ensure that the best practices are developed to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences and to host such transcripts, etc. on the official website to ensure official confirmation and documentation of disclosures made, within seven (7) working days of the event.
- ix. The Company to ensure that all unpublished price sensitive information to be handled and shared only on a need-to-know basis

16. CONSEQUENCES OF DEFAULT/CONTRAVENTION OF THE CODE

Consequences of default include the following:

- i. As per the Section 15G and 24 of the SEBI Act, 1992, an Insider who violates the Regulations, is liable to a penalty that may be imposed by SEBI of Rs.25 Crores or 3 times the amount of profit made out of the Insider trading, whichever is higher and shall also punishable with imprisonment for a term extending to 10 years or a fine up to 25 crores or both.

- ii. As per Section 11 (c) (6) of the SEBI Act, 1992, if any person without justifiable reason, refuse to co-operate in any investigation by SEBI with respect to Insider Trading, then he shall be punishable with an imprisonment for a term extending up to one year, or with fine up Rs. 1 Crore or with both, and with further fine up to Rs. 5 lakhs for every day of such non-co-operation.
- iii. As per Section 11(4) (b) of SEBI Act, 1992, SEBI is also empowered to pass directions to such Insider not to deal in the concerned securities in any manner and/or prohibit him from disposing of the concerned securities and /or declaring the concerned transaction(s) of securities as null and void, restraining the Insider from communicating or counselling any person to deal in Securities.
- iv. The Company is also empowered to take appropriate action against any employee/officer/director who violates this code. Such action may include wage freeze, suspension, ineligibility for future participation in ESOP, etc.
- v. When a person who has traded in securities has been in possession of Unpublished Price Sensitive Information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession. This onus is on the Insider to prove that they are innocent.
- vi. Any violations under the Regulations and this Code will be reported by Compliance Officer to SEBI and Stock Exchanges where the Company's securities are traded.

17. COMPLIANCE OFFICER AND HIS ROLE IN PREVENTION OF INSIDER TRADING.

Company Secretary of the Company or any other person as designated by the Board of Directors of the Company, to act as the Compliance Officer and shall be responsible for setting forth policies, procedures and monitoring adherence to the rules for the preservation of unpublished price sensitive information, pre-clearing and monitoring of trades and the implementation of this Code under the overall supervision of the Board of Directors of the Company.

The Compliance Officer shall report to the Board of Directors and shall provide reports to the Audit Committee (by whatever name called) the changes in Designated Persons, the details of trading plans received, pre-clearance given, and / or any violation of the Regulations reported.

The Compliance Officer shall maintain a record of the Designated Persons and any changes made in the list of Designated Persons.

The Compliance Officer shall provide a Report to the Audit Committee of the Board all the details of trading in securities by Designated Persons, including any violations of the code, etc. The Compliance Officer shall assist all the persons in addressing any clarification regarding this Code and the Regulations.

FORM 1
SECURITIES AND EXCHANGE BOARD OF INDIA (Prohibition of Insider Trading) REGULATIONS, 2015
[Regulation 7(1)(b) read with Regulation 6(2) -Disclosure on becoming a Director /KMP/Promoter]

Name of the Company:

ISIN of the Company:

Details of Securities held on being appointed as Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed Company or being appointed as Designated Person and securities held by their immediate relatives

Name, PAN, CIN/DIN & Addresses with contact nos.	Category of Person (Promoters/ Key Managerial Personnel (KMP)/ Director/ Designated persons/Immediate Relative/Others etc.)	Date of appointment of Director/KMP/ Designated person OR Date of becoming Promoter	Securities held at the time of becoming Promoter/Appointment of Director / KMP/ Designated Person		% of Shareholding	Open Interest of the Future contracts held at the time of becoming Promoter/ Appointment of Director/ KMP/ Designated Person			Open Interest of the Option contracts held at the time of becoming Promoter/ Appointment of Director/ KMP/ Designated Person		
			Type of security (for eg- Shares, Warrants, Convertible Debentures etc)	No		Contract Specifications	Number of units (Contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6	7	8	9	10	11	12

Note: "Securities" shall have the meaning as defined under Regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015. In case of Options, notional value shall be calculated based on premium plus strike price of Options.

Signature:

Date:

Designation:

Place:

FORM 2
SECURITIES AND EXCHANGE BOARD OF INDIA (Prohibition of Insider Trading) REGULATIONS, 2015
[Regulation 7(1)(a) read with Regulation 6(2) – Initial disclosure to the company]

Name of the Company:

ISIN of the Company:

Details of Securities held by Key Managerial Personnel (KMP), Director, Promoter, Designated Person and their Immediate Relatives

Name, PAN, CIN/DIN & Addresses with contact nos.	Category of Person (Promoters/ Key Managerial Personnel (KMP)/ Director /Designated persons/Immediate Relative/Others etc.)	Securities held as on the date of regulation coming into force		% of Shareholding	Open Interest of the Future contracts held as on the date of regulation coming into force			Open interest of the Option contracts held as on the date of regulation coming into force		
		Type of security (for eg- Shares, Warrants, Convertible Debentures etc)	No		Contract Specifications	Number of units (Contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6	7	8	9	10	11

Note: "Securities" shall have the meaning as defined under Regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015, In case of Options, notional value shall be calculated based on premium plus strike price of Options.

Signature:

Date

Designation:

Place:

FORM 3

SECURITIES AND EXCHANGE BOARD OF INDIA (Prohibition of Insider Trading) REGULATIONS, 2015
 [(Regulation 7(2) read with Regulation 6(2) -Continual disclosure)

Name of the Company:

ISIN of the Company:

Details of change in holding of Securities of Designated Person and Immediate Relatives

Name, PAN, CIN/DIN & Address with contact nos.	Category of Person (Promoters/ Key Managerial Personnel (KMP)/ Director/ Immediate Relative/ Others etc.)	Securities held prior to acquisition/disposal		Securities acquired/disposed				Securities held post acquisition /disposal		Date of allotment advice/acquisition of shares/sale of shares specify		Date of intimation to company	Mode of acquisition / disposal (on market/ public/ rights/ preferential offer/ off market/ Inter-se transfer, ESOPs etc)
		Type of security (for eg- Shares, Warrants, Convertible Debentures etc)	No and % of Share holding	Type of security (for eg- Shares, Warrants, Convertible Debentures etc)	No	Value	Transaction Type (Buy/Sale /Pledge/ Revoke/Invoke)	Type of Security (for eg. Shares, Warrants Convertible debentures etc)	No and % of Share Holding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

Note: "Securities" shall have the meaning as defined under Regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015

Details of trading in Derivatives of the Company by Designated Person and Immediate Relatives

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of Contract	Contract Specifications	Buy		Sell		
		Notional Value	No of Units (contracts * lot size)	Notional Value	No of Units (contracts * lot size)	
15	16	17	18	19	20	21

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options

Signature:

Date:

Designation:

Place:

FORM 4

SECURITIES AND EXCHANGE BOARD OF INDIA (Prohibition of Insider Trading) REGULATIONS, 2015
 [(Regulation 7(3) - Transactions by other connected persons as identified by the company)]

Details of trading in securities by other connected persons as identified by the company

Name, PAN, CIN/DIN & Address with contact nos.	Connection with the Company	Securities held prior to acquisition/disposal		Securities acquired/disposed				Securities held post acquisition /disposal		Date of allotment advice/acquisition of shares/sale of shares specify		Date of intimation to company	Mode of acquisition / disposal (on market/ public/ rights/ preferential offer/ off market/ Inter-se transfer, ESOPs etc)
		Type of security (for eg- Shares, Warrants, Convertible Debentures etc)	No and % of Share holding	Type of security (for eg- Shares, Warrants, Convertible Debentures etc)	No	Value	Transaction Type (Buy/Sale /Pledge/ Revoke/ Invoke)	Type of Security (for eg. Shares, Warrants, Convertible debentures etc)	No and % of Share Holding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

Note: " Securities" shall have the meaning as defined under Regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015

Details of trading in Derivatives of the Company by other connected persons as identified by the company

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of Contract	Contract Specifications	Buy		Sell		
		Notional Value	No of Units (contracts * lot size)	Notional Value	No of Units (contracts * lot size)	
15	16	17	18	19	20	21

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options

Signature:

Date:

Place:

Form - 5

SPECIMEN OF APPLICATION FOR PRE-CLEARANCE OF TRADING IN SECURITIES

Date:

To,

The Compliance Officer,
Narayana Hrudayalaya Private Limited
Bangalore

Subject: Application for Pre-Clearance approval in securities of the Company

Dear Sir,

Pursuant to the SEBI (prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct for Prevention of Insider Trading, I seek approval to purchase / sale / subscription of _____ equity shares of the Company as per details given below:

- Name of the applicant
- Designation
- Number of securities held as on date
- Folio No. / DP ID / Client ID No.)
- The proposal is for:
 - (a) Purchase of securities
 - (b) Subscription to securities
 - (c) Sale of securities
- Proposed date of dealing in securities
- Estimated number of securities proposed to be acquired/subscribed/sold
- Whether the proposed transaction is in the name of Self or in the name of Dependent Family Member
- Name of the Dependent/relationship if the transaction is in the name of the dependent
- Price at which the transaction is proposed
- Current market price (as on date of application)
- Whether the proposed transaction will be through stock exchange or off-market deal
- Folio No. / DP ID / Client ID No. where the securities will be credited / debited

I enclose herewith the form of Undertaking signed by me.

Yours faithfully,

(Signature of Designated person/KMP)

Pan No.:

Address:

CIN/DIN No.:

Encl: Form of Undertaking

Form - 6
FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE

Date: _____

To,
The Compliance Officer,

Narayana Hrudayalaya Limited
Bangalore

Dear Sir,

I, _____ (Name) _____ (Designation) of the Company residing at _____, am desirous of dealing in _____* shares of the Company as mentioned in my application dated _____ for pre-clearance of the transaction.

I further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information (as defined in the Company's Code of Conduct for prevention of Insider Trading (the Code) up to the time of signing this Undertaking.

In the event that I have access to or received any information that could be construed as "Price Sensitive Information" as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Code as notified by the Company from time to time or any regulations of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

I undertake to submit the necessary report within two days of execution of the transaction / a 'Nil' report if the transaction is not undertaken.

If approval is granted, I shall execute the deal within 7 days of the receipt of approval failing which I shall seek pre-clearance again.

I declare that I have made full and true disclosure in this regard to the best of my knowledge and belief.

Signature : _____

* Indicate number of shares

Form-7
Pre-Clearance Order
(on letter head of the Company)

To,

Name : _____

Designation : _____

Place : _____

This is to inform you that your request for dealing in _____(nos) shares of the Company as mentioned in your application dated _____ is approved. Please note that the said transaction must be completed on or before _____(date) that is within 7 days from today.

In case you do not execute the approved transaction /deal on or before the aforesaid date you would have to seek fresh pre -clearance before executing any transaction/deal in the securities of the Company. Further, you are required to file the details of the executed transactions in the attached format within 4 days from the date of transaction/deal. In case the transaction is not undertaken a 'Nil' report shall be necessary.

Yours truly,

For Narayana Hrudayalaya Limited

COMPLIANCE OFFICER

Encl: Format for submission of details of transaction

Form-8

FORMAT FOR DISCLOSURE OF TRANSACTIONS

(To be submitted within 2 days of transaction / dealing in securities of the Company)

To,
The Compliance Officer,
Narayana Hrudayalaya Limited
Bangalore

Dear Sir,

I hereby inform that I

- have not bought / sold/ subscribed any securities of the Company
- have bought/sold/subscribed to _____ securities as mentioned below on _____ (date)

Name of holder	No. of securities dealt with	Bought/sold/subscribed	DP ID/Client ID / Folio No	Price (Rs.)

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of 3 years and produce to the Compliance officer / SEBI any of the following documents:

1. Broker's contract note.
2. Proof of payment to/from brokers.
3. Extract of bank passbook/statement (to be submitted in case of demat transactions).
4. Copy of Delivery instruction slip (applicable in case of sale transaction).

I agree to hold the above securities for a minimum period of six months. In case there is any urgent need to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval. (*applicable in case of purchase / subscription*).

I declare that the above information is correct and that no provisions of the Company's Code and/or applicable laws/SEBI (Prohibition of Insider Trading) Regulations, 2015 have been contravened for effecting the above said transactions(s).

Date : _____

Signature : _____

Name:

Designation:

FORM 9

SECURITIES AND EXCHANGE BOARD OF INDIA (Prohibition of Insider Trading) REGULATIONS, 2015

Name of the Company:

ISIN of the Company:

Details of change in holding of employees of the Company (other than a Designated Person)

Name, PAN, CIN/DIN & Address of promoter/ employee/Direct or with contact nos.	Category of Person (Employee)	Securities held prior to acquisition/disposal		Securities acquired/disposed				Securities held post acquisition /disposal		Date of allotment advice/acquisition of shares/sale of shares specify		Date of intimation to company	Mode of acquisition / disposal (on market/ public/ rights/ preferential offer/ off market/ Inter-se transfer, ESOPs etc)
		Type of security (for eg- Shares, Warrants, Convertible Debentures etc)	No and % of Share holding	Type of security (for eg- Shares, Warrants, Convertible Debentures etc)	No	Value	Transaction Type (Buy/Sale /Pledge / Revoke /Invoke)	Type of Security (for eg. Shares, Warrants, Convertible debentures etc)	No and % of Share Holding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

Note: "Securities" shall have the meaning as defined under Regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015

Details of trading in Derivatives of the Company by employees of the Company (other than a Designated Person)

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of Contract	Contract Specifications	Buy		Sell		
		Notional Value	No of Units (contracts * lot size)	Notional Value	No of Units (contracts * lot size)	
15	16	17	18	19	20	21

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options

Signature:

Date:

Designation:

Place:

Form 10
Disclosure by Designated Persons
Clause 14 of Schedule B of SEBI (Prohibition of Insider Trading) Regulations, 2015

Part A - One – time declaration by Designated Persons

Name of the Employee	
Designation	
PAN/or any other identity card issued by a Government Authority	
Employee code	
Date of joining NH	
Past Employer(s)	
Educational Institutions graduated from	
Persons with whom such designated person(s) shares a *material financial relationship	
Phone/Mobile Number	
Dp id and client id	

Part B – Details of Immediate Relatives

Name of Relative	Age	Relationship	PAN No	Dp id and Client Id
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Part C – Disclosure of securities held by Designated Persons to be declared to the Company annually and as and when information changes

Name of Designated Person	Number of Securities held as on beginning of the year	Number of securities held as on end of the year	Consideration value (in Rs)	Name of the dependent/immediate relative if securities held in their name
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Material financial relationship shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationships in which the payment is based on arm's length transactions.