

## METROPOLIS HEALTHCARE LIMITED

### CODE OF FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

**Code of Conduct for Prevention for regulation, monitoring and reporting of Insider Trading for “designated employees” and code of Practices for fair disclosure of unpublished price sensitive information.**

#### 1. INTRODUCTION

- 1.1 The Securities and Exchange Board of India (SEBI) has formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015.
- 1.2 Insider trading means ‘trading’ in ‘Securities’ of a Company by its Directors, Employees or other ‘Insiders’ based on ‘Unpublished Price Sensitive Information’. Such activities by Insiders erode the investors’ confidence in the integrity of the management and are unhealthy for the capital markets. The Insider Trading Regulations prohibits an insider of a Company to deal in the securities of such Company while in possession of any unpublished price sensitive information. The Insider Trading Regulations also prohibits an insider to ‘communicate, counsel or procure’, whether ‘directly or indirectly’, any unpublished price sensitive information to any person including insiders, who while in possession of such information may ‘deal’ in the securities of the Company listed or proposed to be listed. Every Director, Officer, Designated Employee of the Company has a duty to safeguard the confidentiality of all the information obtained during the course of his /her employment at the Company.

#### 2. DEFINITIONS

1. “**Act**” means the Securities and Exchange Board of India Act, 1992.
2. “**Board**” means the Board of Directors of the Company.
3. “**Code**” or “**Code of Conduct**” shall mean the “Code of Conduct for prevention of insider trading for ‘designated employees’ and Code of Practices for fair disclosure of unpublished price sensitive information by insiders of **Metropolis Healthcare Limited**.”
4. “**Company**” means Metropolis Healthcare Limited.
5. “**Compliance Officer**” means any senior officer, designated so and reporting to the Board of Directors, 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in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 Directors of the listed Company.

**6. “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 clause (i); or
  - b) A holding company or associate company or subsidiary company; or
  - c) An intermediary as specified in Section 12 of the Securities and Exchange Board of India Act, 1992 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 recognised 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 the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.

**7. “Director” means a member of the Board of Directors of the Company.**

8. **“Generally available information”** means information that is accessible to the public on a non-discriminatory basis including information published on website of the Stock Exchange(s).
9. **“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.
10. **“Insider”** means any person who is:
- i. A connected person; or
  - ii. In possession of or having access to unpublished price sensitive information;
11. **“Promoter”** means and includes:
- a. The person or persons who are in control of the issuer;
  - b. The person or persons who are instrumental in the formulation of a plan or programme pursuant to which specified securities are offered to public;
  - c. The person or persons named in the offer document as promoters: Provided that a director or officer of the issuer or a person, if acting as such merely in his professional capacity, shall not be deemed as a promoter:
- Provided further that a financial institution, scheduled bank, foreign institutional investor and mutual fund shall not be deemed to be a promoter merely by virtue of the fact that ten per cent or more of the equity share capital of the issuer is held by such person; Provided further that such financial institution, scheduled bank and foreign institutional investor shall be treated as promoter for the subsidiaries or companies promoted by them or for the mutual fund sponsored by them.
12. **“Regulations”** or **“these Regulations”** means SEBI (Prohibition of Insider Trading), Regulations, 2015 as amended from time to time.
13. **“Securities”** includes:
- a. Shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate;
  - b. Derivatives;
  - c. Rights or interest in securities;
14. **“Unpublished Price Sensitive Information”** or **“UPSI”** 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: –

- a. financial results;
  - b. dividends;
  - c. change in capital structure;
  - d. mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
  - e. changes in key managerial personnel; and
  - f. material events in accordance with the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015.
15. **“Takeover Regulations”** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.
16. **“Trading”** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.
17. **“Trading day”** means a day on which the recognized stock exchanges are open for trading;
18. **“Designated Person(s)”** shall include the following persons:
- a. Directors/Whole- time Directors of **Metropolis Healthcare Limited**
  - b. Employees in the cadre of General Manager and above;
  - c. Other persons employed on contract basis not included above but performing similar roles or having similar responsibilities;
  - d. All employees irrespective of their cadre in Finance, Legal & Secretarial Department at the registered office of the Company.
  - e. The General Manager and the Director of Finance of each Company and certain employees of the Group;
  - f. Personal assistants / secretaries to any of the above persons; g. Such other persons as may be notified by the Compliance Officer in consultation with Managing Director & CEO / Executive Director & CFO.

All terms used in this Code but not defined hereinabove shall have the meanings prescribed to them under but defined in the Securities and Exchange Board of India Act,1992 (15 of 1992), the Securities Contracts (Regulation) Act,1956 (42 of 1956), the Depositories Act,1996 (22 of 1996) or the Companies Act, 2013 (8 of 2013) and rules and regulations made there under.

### **3. DUTIES OF COMPLIANCE OFFICER**

- a) The Compliance Officer shall report on insider trading to the Board of Directors of the Company and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the Board of Directors at such frequency as may be stipulated by the Board of Directors.
- b) Prescribing procedures for various activities referred to in the Code.
- c) Monitoring adherence to the regulations for the preservation of "Unpublished Price Sensitive Grant of pre-clearance approvals to the Designated Persons for dealings in the Company's Securities by them / their Dependents and monitoring of such dealings.
- d) Maintaining confidentially a list of securities as a "restricted list" which shall be used as a base for approving or rejecting applications for pre-clearance of trades.
- e) Maintenance of a record of prohibited periods specified from time to time.
- f) The Compliance Officer shall assist all the Employees in addressing any clarifications regarding the Regulations and this Code.
- g) Determination of trading window closure and re-opening periods.
- h) Seeking declarations from the applicant towards possession of UPSI and its accuracy.
- i) The compliance officer shall approve and publicly disclose the trading plan presented to him/her by the insider after which trades may be carried out on behalf of the insider in accordance with such plan.
- j) The compliance officer shall review the trading plan to assess whether the plan would have any 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.
- k) In case any UPSI is in possession of an insider at the time of formulation of trading plan, the compliance officer shall confirm that unless such unpublished price sensitive information becomes generally available, the commencement of any trading plan shall be deferred.
- l) The compliance officer shall notify the trading plan to the stock exchanges on which the securities of the Company are listed.
- m) The Compliance officer shall maintain records of all the declarations in the appropriate form given by the directors/ officers / designated employees for a minimum period of five years.
- n) Compliance of policies, procedures, maintenance of records, preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in the regulations under the overall supervision of the board of directors of the listed company.
- o) Ensuring that information shared with Analysts and Research Personnel is not UPSI.
- p) Ensure that appropriate and fair response is given to queries on news reports and requests for verification of market rumours by regulatory authorities.
- q) Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.

- r) Where there is a violation of regulations, the compliance officer or the company shall immediately inform SEBI about such violation.

#### **4. PRESERVATION OF “PRICE SENSITIVE INFORMATION**

- 4.1 All information shall be handled within the Company on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal and other official duties and obligations.
- 4.2 Unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction which entails:
- a) an obligation to make an open offer under the takeover regulations where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interests of the Company; or
  - b) not attracting the obligation to make an open offer under the takeover regulations 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 information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the Board of Directors may determine.
- 4.3 However, the Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the limited purpose and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information Need to Know:
- a. “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 a conflict of interest or appearance of misuse of the information.
  - b. All non-public price sensitive information directly received by any employee should immediately be reported to the head of the department.

#### **5. TRADING PLAN**

- 5.1 An insider shall be entitled to formulate a trading plan for dealing in securities of the Company and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

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- 5.2 Trading Plan shall;
- a. not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
  - b. not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
  - c. entail trading for a period of not less than twelve months;
  - d. not entail overlap of any period for which another trading plan is already in existence;
  - e. set out either the value of trades 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 effected; and
  - f. not entail trading in securities for market abuse.
- 5.3 The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of these 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.
- 5.4 The Trading Plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.
- 5.5 However, the implementation of the trading plan shall not be commenced, if at the time of formulation of the plan, the Insider is in possession of any unpublished price sensitive information and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Plan shall be deferred until such unpublished price sensitive information becomes generally available information. Further, the Insider shall also not be allowed to deal in securities of the Company, if the date of trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.
- 5.6 Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

## **6. TRADING WINDOW AND TRADING CLOSURE**

- 6.1 The trading period, i.e. the trading period of the stock exchanges, called 'trading window', is available for trading in the Company's securities.
- a. The trading window shall be, inter alia, closed 7 days prior to and during the time the unpublished price sensitive information is published.
  - b. When the trading window is closed, the Designated Persons shall not trade in the Company's securities in such period.
  - c. All Designated Persons shall conduct all their dealings in the securities of the Company only in a valid trading window and shall not deal in any transaction involving the purchase or sale of the Company's securities during the periods when the trading window is closed, as referred to in Point No. (b) above or during any other period as may be specified by the Company from time to time.
- 6.2 Unless otherwise specified by the Compliance Officer, the Trading Window for Dealing in Securities of the Company shall be closed for the following purposes-
- a. Declaration of financial results (quarterly, and annual) stand alone and consolidated;
  - b. Declaration of dividends (interim and final);
  - c. Issue of Securities by way of public/rights/bonus etc.;
  - d. Any major expansion plans or execution of new projects;
  - e. Amalgamation, mergers, de-mergers takeovers and buy-back;
  - f. Changes in key managerial personnel;
  - g. Material events in accordance with the listing agreement;
  - h. Changes in Capital Structure;
  - i. Disposal of whole or substantially whole of the undertaking, and
  - j. Any significant changes in policies, plans or operations of the Company.
- 6.3 The Compliance Officer shall intimate the closure of trading window to all the designated employees of the Company when he determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.
- 6.4 The Compliance Officer after taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, however, in any event it shall not be earlier than 48 hours after the information becomes generally available.

The trading window shall also be 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.

## **7. PRE-CLEARANCE OF TRADES**

- 7.1 Every Designated Person shall obtain a pre-clearance approval as per the procedure prescribed hereunder. For any dealing in any Securities of the Company proposed to be undertaken by such Designated Person/his /her Dependent such pre-clearance approval would be necessary, only if the market value of the securities of Metropolis Healthcare Limited involved in the aggregate in all dealings in a calendar month exceeds in a monetary term, the amount of Rs.10,00,000/- (Rupees Ten Lakh).
- 7.2 However, no designated person shall be entitled to apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed and hence he shall not be allowed to trade.
- 7.3 The pre-dealing procedure shall be hereunder:
- a. For the purpose of obtaining a pre-clearance approval, the concerned Designated Person shall make an application in the prescribed form to the Compliance Officer (Refer Annexure A)
  - b. Such application should be complete and correct in all respects and should be accompanied by such undertakings declarations, indemnity bonds and other documents/papers as may be prescribed by the Compliance Officer from time-to-time (Refer Annexure B)
  - c. All Designated Person / his /her Dependent 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 / his /her Dependent shall file within 2 (two) days of the execution of the deal, the details of such deal with the Compliance Officer in the prescribed form. (Refer Annexure C) In case the transaction is not undertaken, a report to that effect shall be filed.
  - d. If the order is not executed within seven days after the approval is given, the employee/director must pre-clear the transaction again.
- 7.4 Designated person who is permitted to trade shall not execute a contra trade for six months from the date of entering into transaction. The Compliance Officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations.

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- 7.5 Where any contra trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be surrendered for remittance to the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.

## **8. REPORTING AND DISCLOSURES REQUIREMENTS**

- 8.1 All Directors/officers /designated employees shall be required to forward the following details of their securities transactions including the statement of dependent family members to the Compliance officer:
- All holdings in securities of that Company by directors/ officers/ designated employees at the time of joining the company; (Refer Annexure D- Form A)
  - Trading in derivatives of securities and the traded value of the derivatives, if any
  - Periodic statement of any transactions in securities and The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the directors/ officers / designated employees for a minimum period of five years.
- 8.2 The disclosures to be made hereunder shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.

### **A. Initial Disclosure**

Every Key Managerial Personnel or a Director and Promoter of the company on his appointment shall disclose in prescribed format (Refer Annexure E- Form B) his holding of securities of the company as on the date of appointment or becoming a promoter, to the company within 7 (seven) days of such appointment or becoming a promoter.

### **B. Continual Disclosure**

Every Promoter, Employee and Director of the Company shall disclose to the company the number of such securities acquired or disposed of within 2 (two) trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs.10,00,000/- (Rupees Ten Lakh) in Annexure F - Form C.

- 8.3 Disclosure by Company to the Stock Exchanges:

Notify the particulars of such trading to the stock exchange on which the securities are listed within 2 (two) trading days of receipt of the disclosure or from becoming aware of such information.

- 8.4 The Compliance Officer shall maintain records of all the above disclosures in an appropriate form for a minimum period of 5 (five) years from the date of the filing thereof.

## **9. PENALTY**

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- 9.1 Every Designated Person shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her dependents). b. Any Designated Person who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalized and appropriate action may be taken by the Company.
- 9.2 Designated Person who violates this Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, etc. d. The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

## **10. CODE OF FAIR DISCLOSURE**

### **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**

Under Regulation 8(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 The principles for fair disclosure, in terms of the Code adopted by the Company are as follows:

- 10.1 The Company shall promptly make public disclosure of unpublished price sensitive information that would impact price discovery, as soon as it has credible and concrete information, in order to make such information generally available. Such disclosures shall be subject to internal corporate approvals and made through the authorized personnel of the Company. If any such information is accidentally disclosed without such approval, the person making such disclosure shall immediately inform the designated officer.
- 10.2 The Company shall make uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
- 10.3 The Company Secretary or such other person, as may he appointed by the Board shall serve as Chief Investor Relations Officer and is authorised for the purposes of this Code to deal with dissemination of information and disclosure of unpublished price sensitive information.
- 10.4 The Company shall make prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise if at all, to make such information generally available.
- 10.5 The Company shall make appropriate and fair response to queries on news reports and requests for verification of market rumour(s) by regulatory authorities.

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- 10.6 The Company shall ensure that information shared with analysts and research personnel is not unpublished price sensitive information. The Company shall endeavour that, where any unpublished price sensitive information is to be disclosed, before discussing or disclosing any such information to analysts or at any meeting, first the information be provided to the stock exchanges and where applicable, appropriate press releases be made, before any such meetings.
- 10.7 The Company shall develop best practices to make available transcripts or records of proceedings of meetings with analysts and other investor relations conferences, on the website of the Company to ensure official confirmation and documentation of disclosures made.
- 10.8 The Company shall handle all unpublished price sensitive information on a need-to-know basis.
- 10.9 Any subsequent modification(s) and amendment(s) to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, to that extent, shall automatically apply to this Code.

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