

**NATIONAL CEREALS PRODUCTS LIMITED**

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## **Insider Trading- Code of Conduct**

This Policy is an internal code of conduct and one of the measures to avoid Insider Trading by the Insiders. It will be the responsibility of each person covered under the SEBI Insider Trading Regulations to ensure compliance of the SEBI Act, Guidelines and other related statutes.

## **INSTRUCTIONS FOR DESIGNATED PERSONS**

Do not engage in insider dealing;

- Trading in NCPL's Securities when you have inside information, or sharing it with others is illegal and can result in severe penalties. Never indulge in forward dealings in securities of the Company. Both these are prohibited activities.
- Never spread false information to manipulate the price of NCPL's any other listed securities.
- Trading indirectly when in possession of inside information of NCPL and/or its Securities, for example through family members or others, or providing 'tips' is also prohibited.
- Follow the same principles in relation to inside information of NCPL's or its Associate Companies.
- Remember these rules continue to apply even when you are no longer a NCPL employee.

**Note:** In case has/have any doubt(s), check with Legal & Secretarial Department.

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## 1.1 BACKGROUND

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Regulations) seek to govern the conduct of insiders, connected persons and persons who are deemed to be connected persons on matters relating to Insider Trading.

Insider Trading involves trading in the securities of a company listed or proposed to be listed, by connected or any persons in possession of or with access to unpublished price sensitive information not available to the general public, who can take advantage of or benefit from such unpublished price sensitive information. Trading in securities by an 'insider' is regarded unfair when it is predicated upon utilisation of 'inside' information to profit at the expense of other investors who do not have access to the same information.

## 1.2 OBJECTIVE OF THIS CODE OF CONDUCT

This Code of Conduct has been prepared by adopting the standards set out in Schedule B of the Regulations in order to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with the Regulations.

In order to fully understand the scope of restrictions on insider trading, it is useful to understand the following terms/definitions.

## 1.3 DEFINITIONS

(a) **"Company"** means National Cereals Products Limited ("NCPL").

**"compliance officer"** means any senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there, 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 or the head of an organization, as the case may be;

Explanation – For the purpose of this regulation, "financially literate" shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows."

(b) **"Connected person"** means:

(i) Any person who is or has during the 6 (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 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 recognised or authorised 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 ten per cent of the holding or interest;
  
- (d) **“Dealing in securities”** means an act of subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities by any person either as principal or agent;
  
- (e) **“Designated Persons”** means:
  - (i) Members of the Board of Directors of NCPL;
  - (ii) Company Secretary & CFO;
  - (iii) Auditors of NCPL;
  - (iv) All employees of the Accounts, Finance, Legal & Secretarial Department of NCPL;
  - (v) CFO & CEO and CS of the Holding Company, Subsidiary Company and Associate Company\* and Joint Venture;
  - (vi) Secretaries/Executive Assistants reporting to the Chairman or the Whole Time Director/CFO/CS etc.;
  - (vii) All Departmental Heads of the Company (For eg. Finance Head, Purchase Head, Sales Head etc);
  - (viii) Employees of other Departments/Divisions on a case-to-case basis, who could be reasonably expected to have access to unpublished price sensitive information(s) relating to the Company, to be decided by the Chairman/Whole-Time Director/ Compliance Officer/Chief Financial Officer, on a case-to-case basis; and
  - (ix) Employees of material subsidiaries of the Company designated on the basis of their functional role or access to unpublished price sensitive information in the organization by their board of directors and Promoter groups;
  - (x) All promoters of the Company;
  - (xi) Employees upto two levels below of Whole time Director of the Company and its material subsidiaries irrespective of their functional role in the company or ability to have access to unpublished price sensitive information;

- (xii) Any support staff of the Company, such as IT staff and Strategy Staff who have access to unpublished price sensitive information.
- (xiii) Such other persons as may be identified by the Compliance Officer.

\*Associate Company means a company in which NCPL has a significant influence, but which is not a subsidiary company of the NCPL having such influence and includes a joint venture company.

Explanation.—For the purpose of this clause;

- (a) the expression "**significant influence**" means control of at least twenty per cent. of total voting power, or control of or participation in business decisions under an agreement;
- (b) the expression "**joint venture**" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.
- (f) "**Generally available information**" means information that is accessible to the public on a non-discriminatory basis.
- (g) "**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.
- (h) "**Insider**" means any person who is:
  - (i) Designated person(s) & their immediate relatives
  - (ii) a connected person; or
  - (iii) in possession of or having access to unpublished price sensitive information.
- (i) "**Promoter**" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- (j) "**Promoter group**" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- (k) "**Securities**" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof, except units of a mutual fund.
- (l) "**Trading**" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities and "trade" shall be construed accordingly. Gifts, Off-market transactions, creation of pledge are also construed as a trade.
- (m) "**Trading day**" means a day on which the recognized stock exchanges are open for trading.
- (n) "**Unpublished Price Sensitive Information**" (**UPSI**) shall mean 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 include but not restricted to, information relating to the following;
  - (i) Periodical Financial Results of the Company;
  - (ii) Intended declaration of dividends (Interim and Final);

- (iii) Change in capital structure i.e. Issue of securities, buy - back of securities or any forfeiture of shares or change in market lot of the Company's shares;
  - (iv) Mergers, De-mergers, Amalgamation, Acquisitions, De-listing of Securities, Scheme of Arrangement or Takeover, Disposals, Spin Off or Selling Division of Whole or Substantially Whole of the Undertaking and Expansion of Business and such other transactions;
  - (v) Any major expansion plans or execution of new projects or any significant changes in policies, plans or operations of the Company;
  - (vi) Changes in Key Managerial Personnel;
  - (vii) Material events in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - (viii) Any other matter as may be prescribed under the Listing Regulations and/or Corporate Law to be price sensitive, from time to time.
- (o) **"legitimate purpose"** shall include sharing of unpublished price sensitive information 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 these regulations.

#### 1.4 COMPLIANCE OFFICER

NCPL has appointed the Company Secretary, as the Compliance Officer for the purposes of the Regulations, who shall work subject to guidance of the Chairman and the Board of Directors.

#### 1.5 RESPONSIBILITY OF WHOLE TIME DIRECTOR

The Whole time Director of NCPL shall formulate/amend this Code with the approval of the Board of Directors of the Company to regulate, monitor and report trading by its designated persons and their Immediate relatives towards achieving compliance with SEBI (Prohibition on Insider Trading) Regulations, 2015 ("PIT Regulations"), adopting the minimum standards set out in Schedule B of PIT Regulations, as may be amended from time to time, without diluting the provisions of its regulations in any manner.

#### 1.6 Role of Compliance Officer

- 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, or to the Chairman of the Board of Directors at such frequency as may be stipulated by the Board of Directors.
- The Compliance Officer shall assist all employees in addressing any clarifications regarding the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct.

## 1.7 DETERMINATION OF DESIGNATED PERSONS

The Board of Directors shall in consultation with the compliance officer of the Company, shall determine the list of designated persons on the basis of their role and function in the organization and the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation, who shall be covered by this code.

## 1.8 APPLICABILITY OF THIS CODE

This Code is applicable to the designated persons as may be specified by the Board of Directors and their immediate relatives.

## 1.9 COMMUNICATION OR PROCUREMENT OF UPSI

- (1) No insider shall communicate, provide, or allow access to any UPSI relating to NCPL to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- (2) No person shall procure from or cause the communication by any insider of UPSI, relating to NCPL, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- (2A) Any person in receipt of unpublished price sensitive information pursuant to a "legitimate purpose" shall be considered an "insider" for purposes of these regulations and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.
- (3) Notwithstanding anything contained herein, UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
  - (i) entail 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 sharing of such information is in the best interests of the Company;
  - (ii) not attract 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 sharing of such information is in the best interest of the Company and the information that constitutes UPSI 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 to be adequate and fair to cover all relevant and material facts.
- (4) For purposes of point (3) above, the Company shall require the parties to execute agreements/memorandum of understanding to ensure confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of the above point (3), and shall not otherwise trade in securities of the Company when in possession of UPSI.



## 1.10 TRADING IN NCPL'S SECURITIES

### (i) Restriction on trading in Securities of the Company

No Insider shall trade in Securities of the Company at any time when he/she is in possession of any unpublished price sensitive information. Such insider shall also maintain the confidentiality of all price sensitive information and shall not pass on such information to any person directly or indirectly by way of making recommendation for the purchase or sale of Securities of the Company.

**Note:** 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.

### (ii) Joint holding

The provisions of this Code shall also be applicable for trading either as a first named shareholder or as a joint holder

## 1.11 DEFENSE TO INSIDER WHEN TRADING IN NCPL SECURITIES WHEN HAVING UPSI

Trading in Securities of the Company when in possession of any unpublished price sensitive information, the insider may prove his innocence by demonstrating the circumstances including the following : –

- a) the transaction is an off-market inter-se transfer between Insiders who were in possession of the same unpublished price sensitive information without being in breach of regulations and both parties had made a conscious and informed trade decision;
- b) in the case of non-individual insiders: –
  - the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
  - appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;

## 1.12 CHINESE WALL

To prevent the misuse of confidential information, NCPL has laid down Chinese Walls procedures which separate those areas of NCPL that routinely have access to confidential information, considered "inside areas" from those which deal with sale/marketing/investment advice or other departments providing support services, considered "public areas".

(i) The employees in the inside area shall not communicate any Unpublished Price Sensitive Information to anyone in public area.

(ii) The Company shall have process of maintaining securely, computer files containing confidential information and physical storage of documents relating to UPSI.

(iii) All the unpublished price sensitive information is to be handled on "need to know basis", i.e., Unpublished Price Sensitive Information should be disclosed only to those within NCPL 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. All the non-public information directly received by any employee should immediately be reported to the head of the department. In exceptional circumstances employees from the public areas may be brought "over the wall" and given confidential information on the basis of "need to know" criteria, under intimation to the Compliance Officer.

### 1.13 TRADING PLAN

i. An insider shall be entitled to formulate a trading plan 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.

ii. Such 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.

iii. 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.

Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

iv. Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

### 1.14 PRE-CLEARANCE OF TRADES

(i) All Designated Persons who intend to trade in the securities of Companies (either in their own name or in any immediate relative's name) i.e. buy or sell securities and if the value of the securities likely to be 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 Only), should pre-clear the transactions by making an application in the format set out in **Annexure A** to the Compliance Officer indicating the estimated number of units of securities that the designated person or immediate relative(s) intends to trade, the details as to the depository with which(s) he has a security account, the details as to the securities in such depository mode and such other details as specified in the form and also declare that the applicant is not in possession of unpublished price sensitive information.

Provided that the pre-clearance is not applicable for subscription to the stock grants upon its vesting. However for any subsequent sale of shares acquired under Employee Stock Options Plans / Schemes (ESOPs), if any, pre-clearance shall be applicable as per limits prescribed as above.

(ii) An undertaking in **Annexure B** executed in favour of the Company, forming part of the Application Form as mentioned hereinabove, shall incorporate, inter alia, the following clauses:

- That the Designated Person(s) and their immediate relative(s) does not have any access or has not received "Price Sensitive Information" upto the time of signing the undertaking.
- That in case the Designated Person(s) and their immediate relative(s) has access to or receives "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction, he / she shall inform the Compliance Officer of the fact and that he / she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
- That he / she has not contravened the Code of Conduct for prevention of Insider Trading as notified by the Company/SEBI from time to time.
- That he / she has made a full and true disclosure in the matter.

(iii) No designated person shall 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.

(iv) The Compliance Officer shall also determine whether any such declaration is reasonably capable of being rendered inaccurate.

(v) All Designated Persons and their immediate relatives shall execute their order in respect of securities within 7 (seven) days after the approval of pre-clearance in **Annexure C** is given. If the order is not executed within 7 (seven) days after the approval is given, the employee must obtain the pre-clearance for the transaction again.

#### 1.15 NO TRADING PERIOD

- (i) The trading period during which NCPL's securities can be traded is called trading window. The trading window shall be closed during the time the price sensitive information is unpublished.
- (ii) When the trading window is closed, the Designated Persons (including their immediate relatives) shall not trade in NCPL's securities in such period.
- (iii) The trading window shall be, inter-alia closed at the time of:
  - (a) Declaration of Financial results
  - (b) Declaration of dividends (interim and final)
  - (c) Change in capital structure
  - (d) Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business
  - (e) Changes in key managerial personnel
  - (f) Material events in accordance with the listing agreement
  - (g) Such other time as the Compliance Officer determines that a designated person or class of designated person is reasonably expected to have possession of unpublished price sensitive information.

- (iv) The Compliance Officer shall also close the trading window 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.
- (v) The trading window shall be opened 48 (Forty Eight) hours after the unpublished price sensitive information becomes generally available.
- (vi) The trading restriction period can also be made applicable from the end of every quarter till 48 hours after the declaration of financial results. The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.”
- (vii) The trading window shall also be applicable to any person having contractual or fiduciary relation with NCPL, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising NCPL.
- (viii) All Designated Person of the Company and their immediate relative(s) 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 Trading Window is closed as referred above or during any other period as may be specified by the Managing Director / Compliance Officer / Chief Financial Officer from time to time.
- (ix) The Compliance Officer shall intimate the closure of Trading Window to all the Designated Person(s) of the Company when he / she determines that a designated person or class of Designated Person(s) 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.
- (x) 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 (Forty Eight) hours after the information becomes generally available.
- (xi) However, subject to the SEBI Act, Rules and Regulations, in case of ESOPs, if any, exercise of options shall be allowed during the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when the trading window is closed.
- (xii) Creation of pledge is allowed when trading window is closed. However, the pledger or pledgee may demonstrate that the creation of pledge was bona fide and prove their innocence under proviso to sub-regulation (1) of regulation 4 of the Regulations.

#### 1.16 HOLDING PERIOD/CONTRA TRADE

- (i) Designated person (including their immediate relatives) who is permitted to trade shall not execute a contra trade i.e. enter into an opposite transaction during the next 6 (six) months following the prior transaction (“contra trade”). However, the restriction on contra trade shall not apply to:
  - (a) Exercise of the options under the Company’s ESOPs;
  - (b) Sale of shares acquired under the Company’s ESOPs, provided that designated person is not in possession of UPSI at the time of sale.
- (ii) 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.

## 1.17 TRADING BY PORTFOLIO MANAGERS

This Code is also applicable to insiders who engage Portfolio Managers to trade in shares and hence the insiders are expected to take due precaution while trading in securities through Portfolio Managers by:

- Informing Portfolio Managers about closure of trading window.
  
- Ensuring to seek pre-clearance, wherever applicable, when the Portfolio Manager proposes to trade in the NCPL's shares exceeding threshold limit and also make continual disclosures, wherever applicable, as provided in this Code.
  
- Ensuring that the portfolio manager abides by the requirement of minimum holding period and not do contra trade as provided in this Code.
  
- Prohibiting the Portfolio manager to trade in securities of NCPL at his own discretion or when the Insider is in possession of UPSI.

Despite the above, if any trading is done by portfolio managers, it will be treated as trading done by the Insider, and therefore the insider will be held responsible for any such non-compliance and subject to such penalties as specified in this Code.

## 1.18 Institutional Mechanism for Prevention of Insider trading.

- (1) The Whole time Director and Compliance Officer of the company shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in these regulations to prevent insider trading.
  
- (2) The internal controls shall include the following:
  - all employees who have access to unpublished price sensitive information are identified as designated employee;
  - all the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of these regulations;
  - adequate restrictions shall be placed on communication or procurement of unpublished price sensitive information as required by these regulations;
  - lists of all employees and other persons with whom unpublished price sensitive information is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
  - all other relevant requirements specified under these regulations shall be complied with;
  - Periodic process review to evaluate effectiveness of such internal controls.
  
- (3) The Audit Committee of the Company shall review compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

- (4) The whistle-blower policy of the Company shall be amended in line with the requirement of this regulation. The Compliance Officer shall make employees aware of this policy to enable employees to report instances of leak of unpublished price sensitive information.
- (5) If an inquiry has been initiated by a Company in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, the relevant intermediaries and fiduciaries shall co-operate with the Company in connection with such inquiry conducted by the Company

## 2.1 INITIAL DISCLOSURE

(i) All the Promoters, Member of Promoter Group, Key Managerial Personnel and Directors are required to send the details of their holdings in securities of NCPL presently held by them including the statement of holdings of immediate relative(s) in the prescribed **Annexure D** (as prescribed or amended by SEBI, from time to time) within 30 (thirty) days of this Code becoming effective.

(ii) Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter or Member of Promoter Group shall disclose his holding of securities of the Company within 7 (seven) days of such appointment or becoming a Promoter / Key Managerial Personnel / Director inform the Company in **Annexure E** (as prescribed or amended by SEBI, from time to time).

## 2.2 CONTINUAL DISCLOSURE

Every Promoter, Member of Promoter Group, Designated person and Director of the Company shall disclose to the Company in the format set out in **Annexure F** (as prescribed or amended by SEBI, from time to time), 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 Only) or such other value as may be specified.

## 2.3 DISCLOSURE BY OTHER CONNECTED PERSONS

The Compliance Officer at his discretion may require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the Company and when he deems fit in order to monitor compliance with these Regulations in the format set out in **Annexure G** (as prescribed or amended by SEBI, from time to time).

## 2.4 DISCLOSURE BY DESIGNATED PERSONS

### **Annual Disclosure and Continual Disclosure**

The Designated person shall disclose the following information on annual basis, to the Company within 30 days from the end of the Financial Year basis, and on continual as and when the information changes.

- (i) Name of Immediate Relatives
- (ii) persons with whom such designated person(s) shares a Material Financial Relationship
- (iii) Permanent Account Number or any other identifier authorized by law of (i) & (ii)
- (iv) Phone, mobile and cell numbers of (i) & (ii)
- (v) The names of Educational Institution from which designated persons have Graduated and names of their past employers shall also discussed on a one time basis.

**Explanations:** -“Material Financial Relationship” shall mean a relationship as 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.”

## 2.5 DISSEMINATION OF PRICE SENSITIVE INFORMATION

(i) No information shall be passed by Designated Persons by way of making a recommendation for the purchase or sale of securities of the Company.

(ii) Disclosure/dissemination of Price Sensitive Information with special reference to analysts, media persons and institutional investors.

The following guidelines shall be followed while dealing with analysts and institutional investors:-

- Only public information to be provided.
- At least 2 (two) Company representatives be present at meetings with analysts, media persons and institutional investors.
- Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.
- Simultaneous release of information after every such meet.

## 2.6 REPORTING TO THE BOARD AND MAINTENANCE OF DISCLOSURES

(i) The Compliance Officer shall place before the Chairman of the Company on a quarterly basis, details of trading in Securities of the Company by the Designated Persons and the accompanying documents that such persons had executed under the pre-clearance procedure as envisaged under this Code.

(ii) The Compliance Officer shall maintain records of all the declarations in appropriate forms given by the Designated Persons for a minimum period of 5 (Five) years.

(iii) The Secretarial dept. shall acknowledge receipt of the declaration form received.

## 2.7 AMENDMENT OF THIS CODE

The Board of Directors of NCPL is authorised to change / amend this Code from time to time pursuant to any amendments made in the SEBI (Prohibition of Insider Trading) Regulations, 2015.



### 3.1 PENALTY FOR NON-COMPLIANCE

Any insider who trades in securities in contravention of the provisions of this Code or the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 shall be guilty of insider trading and shall be inter-alia liable for punishment and penalty as mentioned in this Code and the Securities & Exchange Board of India Act, 1992.

### 3.2 Power of Board to take Disciplinary Actions

Without prejudice to the penalties and strictures given under Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Securities & Exchange Board of India Act, 1992 or under any other law for the time being enforce, contravention of code of conduct by the Insider, strict sanctions and disciplinary actions, including but not limited to wage freeze, suspension, recovery clawback etc. shall be taken.

**NATIONAL CEREALS PRODUCTS LIMITED**

**ANNEXURE A**

**Application - Cum Undertaking for Pre-Clearance of Trades**

Date:

The Compliance Officer  
National Cereals Products Limited  
Solana Brewery PO Simla Hills,  
Solana, Himachal Pradesh-173214, India

From: \_\_\_\_\_

Designation: \_\_\_\_\_

With reference to the Code of Conduct of National Cereals Products Limited (NCPL) for Prevention of Insider Trading, I hereby give notice that I propose to carry out the following transaction in NCPL's securities for myself / as Joint Holder / my immediate relative.

Transaction (Sale/Purchase/Gift)	Type of Security	Number of Security

I hereby declare that:

- (a) I do not have any access nor have I received or possess "Unpublished Price Sensitive Information" upto the time of signing the undertaking.
- (b) That in case I have access to or receive "Unpublished Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction, I shall inform the Compliance Officer of the change in my position and that I would completely refrain from trading in the securities of NCPL till the time such information becomes public.
- (c) That I have not contravened the code of conduct for prevention of insider trading as notified by NCPL from time to time.
- (d) That I have made a full and true disclosure in the matter.

Signature of the Designated Person: \_\_\_\_\_

PAN : \_\_\_\_\_

**NATIONAL CEREALS PRODUCTS LIMITED**

**Annexure B**

**UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE**

To,  
National Cereals Products Limited  
Solan Brewery PO Simla Hills, Solan,  
Himachal Pradesh-173214, India

Date: \_\_\_\_\_

Dear Sir/Madam,

I, \_\_\_\_\_ (Designation) 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.

I undertake to submit the necessary report within 2 (two) trading 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.

I declare that I have made full and true disclosure in the matter.

Signature: \_\_\_\_\_

PAN : \_\_\_\_\_

**NATIONAL CEREALS PRODUCTS LIMITED**

**Annexure C**

**PRE-CLEARANCE ORDER**

PCO No. \_\_\_\_\_

Date:

To,  
\_\_\_\_\_  
(Applicant)

PAN: \_\_\_\_\_

This is to inform you that your request for dealing in securities

This is to inform you that your request for dealing in \_\_\_\_\_ 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.

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 prescribed forms as per NCPL's Code of Conduct for Insider Trading. In case the transaction is not undertaken a 'Nil' report shall be necessary.

Signature: \_\_\_\_\_  
Compliance Officer

Note:

1. Please provide all the information. Incomplete forms will not be accepted.
2. Please ensure that you have not made any opposite transaction within previous 6 months.

ANNEXURE D  
DISCLOSURE UNDER PARA 2.1 (i) OF THE INSIDER TRADING CODE OF CONDUCT

Name of the company: National Cereals Products LIMITED  
ISIN of the company: INEOEX201012

Details of Securities held by Promoter, Member of Promoter Group, Key Managerial Personnel (KMP) and Director

Name, PAN No., CIN/DIN & Address with contact nos.	Category of Person (Promoters/ Member of Promoter group, KMP /Directors/ immediate relatives)	Securities held as on the date of regulation coming into force		% of Share- holding
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5

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

Name & Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Designation: \_\_\_\_\_

Place: \_\_\_\_\_

Notes:

- 1) Separate disclosures should be made in respect of the immediate relatives. Immediate relatives may include the spouse of a person, a parent, sibling and child of such person or their spouse, any of whom is either dependent financially on such a person, or consults such a person in taking decisions relating to trading in securities.
- 2) This declaration will include separate details of shares held in the first name, joint names or as a guardian.

ANNEXURE E  
DISCLOSURE UNDER PARA 2.1(ii) OF THE INSIDER TRADING CODE OF CONDUCT

Name of the company: NATIONAL CEREALS PRODUCTS LIMITED  
 ISIN of the company: INEOEX201012

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a company or Member of Promoter Group

Name, PAN No., CIN/DIN & Address  with contact nos.	Category of Person (Promoters/ Promoter group/ KMP /Directors/ immediate relatives/ others etc.)	Date of appointment of Director /KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/Promoter Group/ appointment of Director/KMP		% of Share- holding
			Type of security (For eg. – Shares, Warrants, Convertible Debentures, etc.)	No.	
1	2	3	4	5	6

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

Name & Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Designation: \_\_\_\_\_

Place: \_\_\_\_\_

Notes:

- 1) Separate disclosures should be made in respect of the immediate relatives. Immediate relatives may include the spouse of a person, a parent, sibling and child of such person or their spouse, any of whom is either dependent financially on such a person, or consults such a person in taking decisions relating to trading in securities.
- 2) This declaration will include separate details of shares held in the first name, joint names or as a guardian.



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

Name & Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Designation: \_\_\_\_\_

Place: \_\_\_\_\_

Notes:

- 1) Separate disclosures should be made in respect of the immediate relatives. Immediate relatives may include the spouse of a person, a parent, sibling and child of such person or their spouse, any of whom is either dependent financially on such a person, or consults such a person in taking decisions relating to trading in securities.
- 2) This declaration will include separate details of shares held in the first name, joint names or as a guardian.



ANNEXURE G  
DISCLOSURE UNDER PARA 2.3 OF THE INSIDER  
TRADING CODE OF CONDUCT

Name of the company: NATIONAL CEREALS PRODUCTS LTD

ISIN of the company: INE0EX201012

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

Name, PAN, CIN/DIN, & address with contact nos. of other connected Persons as identified by the company	Connection with 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.

Name & Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Designation: \_\_\_\_\_

Place: \_\_\_\_\_

Notes:

- 1) Separate disclosures should be made in respect of the immediate relatives. Immediate relatives may include the spouse of a person, a parent, sibling and child of such person or their spouse, any of whom is either dependent financially on such a person, or consults such a person in taking decisions relating to trading in securities.
- 2) This declaration will include separate details of shares held in the first name, joint names or as a guardian.

# CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)

## Background

The SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”) mandates every listed company to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities.

In this regard, Board of Directors of National Cereals Products Limited (“**NCPL/Company**”) has laid down this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (‘the Code’) for adoption.

### **I. Objective**

The Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company’s securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations.

### **II. Scope**

The Company endeavors to preserve the confidentiality of un-published price sensitive information (UPSI) and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations

### **III. Applicability**

This Code shall be applicable with effect from April 1, 2019.

### **IV. Principles of Fair Disclosure**

The Company shall adhere to the following principles to ensure timely and fair disclosure of Unpublished Price Sensitive Information:

- (i) Prompt 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.
- (ii) Uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
- (iii) Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- (iv) Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information. The Company shall be careful while answering to the queries of analysts. Unanticipated questions shall be taken on notice and a considered response shall be given later.
- (v) Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the Company’s website to ensure official confirmation and documentation of disclosures made.

- (vi) Handling of all unpublished price sensitive information on a need-to-know basis. Unpublished price sensitive information shall be disclosed to Company officials only after a proper clarification is sought as to the purpose for which the information is needed.

**V. Compliance Officer to oversee and coordinate disclosures:**

- (i) The Compliance Officer of the Company is responsible for dissemination of information and disclosure of UPSI.
- (ii) The Compliance Officer is also responsible for ensuring compliance under this code, overseeing and coordinating disclosure of UPSI to stock exchanges, shareholders, analysts and media and for educating NCPL's staff on disclosure policies and procedure.
- (iii) All UPSI is to be handled on "need to know basis", i.e., UPSI should be disclosed only to those within NCPL 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. All the non- public information directly received by any employee should immediately be reported to the Compliance Officer.

**VI. Powers & Duties of Compliance Officer:**

- (i) Other than information which is price sensitive in accordance with the Companies Act 2013, the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other applicable law for the time being in force, the Compliance Officer in consultation with the Whole Time Director shall decide whether an information is price sensitive or not.
- (ii) The Compliance Officer shall ensure that disclosure to Stock Exchanges is made promptly.
- (iii) All information disclosure/dissemination may normally be approved in advance by the Compliance Officer. In case information is accidentally disclosed without prior approval of Compliance Officer, the person responsible shall immediately inform the Compliance Officer.
- (iv) The Compliance Officer shall ensure that no unpublished price sensitive information is disclosed selectively to any one or group of research analysts or investors to the disadvantage of other stakeholders.
- (v) Any queries or requests for verification of market rumor(s) by the Regulatory Authorities shall be forwarded to the Compliance Officer, who shall decide on the clarification to be provided.
- (vi) The Compliance Officer shall decide whether a public announcement is necessary for verifying or denying any rumor(s).

**VII. Prompt disclosure of unpublished price sensitive information:**

- (i) NCPL will ensure that any event which has a bearing on the share price of the Company shall be disseminated promptly upon the conclusion of the event, by communicating the same to the stock exchanges in accordance with the PIT regulations.
- (ii) To ensure that the information is disseminated in a uniform manner, NCPL will transmit the information to all the stock exchanges where the securities of the Company are listed, at the same time and shall also publish the same on the website of the Company viz. [www.nationalcereals.com](http://www.nationalcereals.com).

**VIII. Disclosure with reference to Analysts/ Media:**

- (i) All UPSI shall be first communicated to the stock exchanges before the same is shared with Analyst and Research personnel.
- (ii) Transcript of the meetings / concalls with Analysts shall be furnished to the stock exchanges and then posted on NCPL's website.

**IX. Responding to Market Rumors:**

The Compliance Officer and/or the Investor Relations Team and /or any other official(s) ("spokesperson") authorized by the Board of Directors of the Company shall give an appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities. They shall also be responsible for deciding whether a public announcement is necessary for verifying or denying rumors and making disclosures.

**X. 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;

- (i) 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.
- (ii) Sharing of UPSI where such communication is in furtherance of performance of duty (ies);
- (iii) Sharing of UPSI for discharge of legal obligation(s).
- (iv) Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the Compliance Officer of the Company.
- (v) Sharing of UPSI for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time.

Provided that such sharing should not be carried out to evade or circumvent the prohibitions of PIT Regulations.

However, other provisions / restrictions as prescribed under the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other law for the time being in force in this behalf, as may be amended from time to time, shall be observed.

#### **XI. Issue of Notice to the recipient of UPSI**

Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of this Code and due notice shall be given to such persons;

- (i) To make aware such person that the information shared is or would be UPSI.
- (ii) To make aware to such person the duties and responsibilities attached to the receipt of such UPSI and the liability attached to misuse or unwarranted.
- (iii) To instruct such person to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

#### **XII. Digital Database of recipient of UPSI**

The Compliance Officer shall be responsible to maintain a structured digital database of such persons or entities as the case may be with whom information is shared under this regulation, which shall contain the following information;

- (i) Name of such recipient of UPSI;
- (ii) Name of the Organization or entity to whom the recipient represent
- (iii) Postal Address and E-mail ID of such recipient
- (iv) Permanent Account Number (PAN) or any other identifier authorized by law, if PAN is not available.

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

#### **XIII. Amendment**

The Board of Directors of the Company, in sync with applicable laws, rules & regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Code with a new Code.

In any circumstance where the terms of the Code differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over the Code.

The Code and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges.