



# GALLANTT METAL LIMITED

Registered Office: 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069.

Email: [csgml@gallantt.com](mailto:csgml@gallantt.com); Website: [www.gallantt.com](http://www.gallantt.com)

Telfax : 033-40642189

## ***POLICY FOR PROCEDURE OF INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)***

**[Under Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015] This Policy shall come into effect from April 1, 2019**

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### **Background**

The Committee constituted by SEBI to review the Insider Trading Regulation noted the recent cases of leak of UPSI related to listed entities on Instant Messaging apps. Such information originates from within the company and affects the listed company in terms of its market price as well as loss of reputation and investors’ / financiers’ confidence in the company.

Leakage of UPSI from a company is a matter of serious concern not only for the regulator but for the company as well, and listed companies should take responsibility to find out sources responsible for the leakage and plug loopholes in the internal control systems to prohibit reoccurrence of such leakage of UPSI.

*The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (“PIT Amendment Regulations”) mandates every listed company to formulate a written **policy and procedures for inquiry***

*in case of leak of unpublished price sensitive information and initiate appropriate action on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.*

*In this regard, Board of Directors of Gallantt Metal Limited (“GML/Company”) has laid down this policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information (‘the policy’), for adoption.*

### **Objective**

To strengthen the internal control system to prevent leak of UPSI.

- I.** To restrict and prohibit the practice of sharing of UPSI, with the un-authorized person, which originates from within the company and which affects the market price of the Company as well as loss of reputation and investors’ / financiers’ confidence in the company.
- II.** To have a uniform code to curb the un-ethical practices of sharing UPSI by Insiders, Employee & Designated Persons with any person, firm, Company or Body Corporate.
- III.** To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the Securities and Exchange Board of India (“SEBI”) promptly.
- IV.** To take disciplinary actions, if deemed fit against any Insider, Employee & Designated Persons who appears to have found guilty of violating this policy, apart from any action that SEBI may initiate/take against the Insider, Employee & Designated Persons.

### **Applicability**

This policy shall apply to all designated persons and immediate relative of designated persons and persons in possession of or having access to unpublished price sensitive information.

### **Un-published 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;

- a) Periodical Financial Results of the Company;
- b) Intended declaration of dividends (Interim and Final);
- c) 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;

- d) 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;
- e) Any major expansion plans or execution of new projects or any significant changes in policies, plans or operations of the Company;
- f) Changes in Key Managerial Personnel;
- g) Material events in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- h) Any other matter as may be prescribed under the Listing Regulations and/or Corporate Law to be price sensitive, from time to time.

**Chief Investor Relation Officer (“CIO”)**

shall mean the Compliance Officer of the Company appointed by the Board of Director under Securities and Exchange Board India (Prohibition of Insider Trading ) Regulations, 2015 .

***Duties of Chief Investor Relations Officer:***

The CIO shall be responsible to;

- (i) Oversee the Compliance of this policy.
- (ii) Report the incident of actual or suspected leak of UPSI to the *Securities and Exchange Board of India*.
- (iii) Intimate the incident of actual or suspected leak of UPSI to the Stock Exchanges.
- (iv) To co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI to the Enquiry committee.

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

*On becoming aware of actual or suspected leak of Unpublished Price Sensitive Information of the Company, the CIO shall ensure that the same shall be promptly intimated to the Stock Exchanges on which the securities of the Company are listed in the format as set out in “Annexure A” to this policy.*

**Report of actual of suspected leak of UPSI to SEBI:**

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

**Process of inquiry in case of leak of UPSI or suspected leak of UPSI**

1. Inquiry under this policy shall commence based on a written complaint received from any employee, department of the Company, Registrar and Share Transfer Agent, designated person, Depository, Stock Exchange, Regional Director or any official thereof, Registrar of Companies or any official thereof, regulatory / statutory authority or any other department of Central or State Government.
2. The complaint shall inter alia state particulars of the complainees and details of the complaint. The Complainant has the option of annexing such documentary evidence, as deemed reasonable for the purpose of substantiating the complaint lodged.
3. The Complaint shall be addressed to the Company or Board or Audit Committee or Chairman or Managing Director (MD) or Chief Executive Office, by whatever name called.
4. Within 5 (five) working days of receipt of the complaint MD, shall write to the complainees intimating the details of the complaint received and requesting him to give a written representation within 7 (seven) working days of receipt of letter. If MD feels that the complaint has been lodged to secure needless publicity for defamatory matter which is detrimental to the interest of the Company then he will discard the complaint with reasons recorded in writing.
5. Within 7 (seven) working days of receipt of representation, MD shall proceed to investigate in the matter and for such purpose may consult such persons, whether internal or otherwise or obtain such external assistance or opinion, as he may deem expedient in this regard. During the course of such investigation, MD may call for such additional documents, representations, etc. as he may deem fit.
6. If no representation is received within the aforesaid stipulated time, MD shall issue notice to the complainees asking him to show cause as to why the Company should not initiate disciplinary proceedings, as applicable, against him.
7. On completion of the preliminary investigation under point 5, receipt of reply to the show cause notice issued under point 6 or on non-receipt thereof, MD shall refer the matter to the Chairman of the Audit Committee, alongwith his opinion, for his consideration.
8. Chairman of the Audit Committee on receipt of such opinion shall proceed to convene a meeting of the Audit Committee and shall actually convene the concerned meeting within a period of 45 days of receipt of opinion of MD.
9. The Audit Committee shall consider the matter and put forward its recommendation to the Board. The Board, on receipt of such recommendation and after due review, if forms an opinion that the complainees is guilty of leak of UPSI or suspected leak of UPSI, then it will order for necessary disciplinary proceedings of the company, which will be in addition to the penal

provisions stated under SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and any other statutory enactments, as applicable.

10. The Company suo moto reserves the right of initiating an inquiry under this policy against any designated person if it has reasons to believe that such person has leaked UPSI or suspected to leak UPSI.

11. This policy shall not in any way preclude any referrals, complaints, measures, actions etc. which can be instituted or which are available under the existing Vigil Mechanism Policy of the Company.

12. The word MD or CEO wherever referred in this policy shall mean and include head of the Company, whether occupying board position or not, by whatever name called.

13. The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision and also replace this Policy entirely with a new Policy.

14. Any words used in this Policy but not defined herein shall have the same meaning as described to it in the Companies Act, 2013 or Rules made thereunder, Securities & Exchange Board of India Act or Rules and Regulations made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 or any other relevant legislation/law applicable to the Company, as amended from time to time.

#### **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 Policy with a new Policy.

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

This Policy and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges, if required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment, re-amendment or re-enactment thereto.

**Annexure A**

**Format for Intimation of Actual or Suspected leak of UPSI to the Stock Exchanges  
Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements)  
Regulation, 2015.**

To,  
**BSE Limited**  
P. J. Towers, Dalal Street, Fort  
Mumbai – 400 001.  
**Ref.: BSE Scrip Code No. "532726"**

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai-400 051.  
**Ref: "GALLANTT"**

Dear Sir / Madam,

**Sub: Intimation of actual or suspected leak of UPSI pursuant to Regulation 30 of SEBI  
(Listing Obligations and Disclosure Requirements) Regulation, 2015.**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows;

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

Request you to take the aforementioned on your records.

Thanking you,

Yours faithfully,  
For **Gallantt Metal Limited**

Tarun Kumar Rathi  
**Company Secretary & Compliance Officer**

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

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

**Ref.: BSE Scrip Code No. "532726"**

**Ref: "GALLANTT"**

Dear Sir / Madam,

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

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

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

Request you to take the aforementioned on your records.

Thanking you,

Yours faithfully,  
For **Gallantt Metal Limited**

Tarun Kumar Rathi  
**Company Secretary & Compliance Officer**