

**GALLANTT ISPAT LIMITED**  
(Formerly known as Gallantt Metal Limited)

**CODE OF CONDUCT FOR REGULATING,  
MONITORING AND REPORTING OF  
TRADING BY INSIDERS**

**INTRODUCTION**

Securities and Exchange Board of India (hereinafter referred to as "SEBI" has promulgated the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and SEBI Prohibition of Insider Trading Amendment Regulations, 2018.

The objective of the Regulations is to prevent Insider Trading by prohibiting trading, communicating, counselling or procuring Unpublished Price Sensitive Information. Insider Trading is an unethical practice resorted to by those in power and privy to certain unpublished price sensitive information relating to a company to profit at the expense of the general investors who do not have access to such information.

Gallantt Ispat Limited (hereinafter referred to as the "Company") has framed "**THE CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**" (hereinafter referred to as Code) which is binding on the Designated Persons and other Connected Persons during the course of performance of their duties. This Code is in line with the policy of the Company to implement and practice the principles of Corporate Governance based on fairness, transparency, integrity, honesty and accountability, consistently being followed by the Company in all its business practices and dealings. The Company recognizes that strict observance of the Code is a basic pre-requisite for ensuring full confidentiality of all "**Unpublished Price Sensitive Information**" and to build general investor confidence and stakeholder credibility. Unless otherwise stated, this policy applies to the employees/designated persons/connected persons (including immediate relatives) of all the subsidiaries, joint ventures and associates (whether in or outside of India) of the Company (collectively or individually hereinafter referred to as the "Group").

Further, the Company has adopted the "**CODE FOR CORPORATE DISCLOSURE PRACTICES FOR PREVENTION OF INSIDER TRADING**" to ensure timely and adequate disclosure of Price Sensitive Information with special reference to analysts, institutional investors etc.

## **DEFINITIONS**

Words and expressions used and not defined in this Code but defined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, 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 (18 of 2013) and the Rules and Regulations made thereunder' shall have the meanings respectively assigned to them in those legislations.

**“Act”** means the Securities and Exchange Board of India Act, 1992.

**“Board”** means the Board of Directors of the Company.

**“Company”** means Gallantt Ispat Limited.

**“Compliance Officer”** means the Company Secretary of the Company.

**“Connected Person”** means any person who is or has during the six months prior to the concerned act been associated with the company or its' Subsidiary, 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.

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 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.

**“Dealing in Securities”** means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the securities of the Company either as principal or agent.

**Designated Person**

The term “Designated Person” shall consist of:

- a) Promoters of the Company
- b) Directors of the Company and its subsidiaries;
- c) All employees in the Finance and Accounts Department, Corporate Planning Department, Legal Department, Enterprise Risk Management Department, Corporate Strategy, Information Security and any other departments of the company and its material subsidiaries, if any on the basis of their functional role or access to unpublished price sensitive information;
- d) Chief Executive Officer and employees up to two levels below Chief Executive Officer of the Company and material subsidiaries;
- e) Executive Secretaries of Directors and Executive Officers of the Company, any support staff of the company, such as IT staff or secretarial staff who have access to unpublished price sensitive information;
- f) Immediate Relatives of persons specified in (a) to (e) above
- g) Any other Person designated by the Company on the basis of their functional role and such function would provide access to UPSI;

**“Employee”** means every employee of the Company including the Directors in the employment of the Company.

**“Immediate Relative”** means a spouse of a person, and includes parent, sibling, and child of that person or of the spouse, if they are either dependent financially on such person, or consult such person in taking decisions relating to Trading in securities.

**“Insider”** means any person who is:

- (i) a Connected Person or
- (ii) in possession of or having access to UPSI.

**“Key Managerial Personnel”** shall have the meaning assigned to it under the Companies Act, 2013.

**“Officer”** shall have the meaning assigned to it under the Companies Act, 2013.

**"Promoter"** shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

**“Promoter Group”** shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

**“Regulations”** shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.

**"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.

**“Stock Exchange”** means the Stock Exchange, where the shares of the Company are listed.

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

#### **DUTIES OF THE COMPLIANCE OFFICER**

The Compliance Officer shall be responsible for:

1. He shall maintain a record of Promoter, member of Promoter Group, Designated Persons and any changes made therein.
2. He may in consultation with the Chairman / Executive Director and shall as directed by the Board, specify the prohibited period from time to time and immediately make an announcement thereof to all concerned.
3. He shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of ‘Unpublished Price Sensitive Information’, ‘pre-clearing of Designated Persons’ trades, monitoring of trades and the implementation of this Code under the overall supervision of the Board of Directors of the Company.
4. He shall maintain records of all the declarations submitted in the appropriate form under this Code for a minimum period of five years.
5. He shall place before the Board, on a quarterly basis all the details of the dealing in the securities by the Designated Persons with relevant documents that such persons had executed under the pre-dealing procedure as envisaged in this Code.

6. He shall also provide the said details, on a quarterly basis, to the Chairman of the Audit Committee of the Board or to the Chairman of the Board.
7. He shall from time to time inform the Stock Exchanges of any Unpublished Price Sensitive Information on immediate basis.
8. He shall intimate to all Stock Exchanges on which the securities of the Company are listed the relevant information received.
9. He shall be responsible for overseeing and co-ordinating disclosure of Unpublished Price Sensitive Information to Stock Exchanges, analysts, shareholders and media and educating staff on disclosure policies and procedure.
10. He shall inform SEBI of any violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 within 7 days of knowledge of any such violation.
11. He shall review and grant approval of the trading plan in compliance with Regulation 5 of the Regulations for trading in the securities of the Company.
12. He shall ensure that prohibited period is intimated to all concerned at least 48 hours before the commencement of the said period.

**PROHIBITION ON COMMUNICATING OR PROCURING UPSI**

An INSIDER shall not – Communicate, provide, or allow access to any UPSI, relating to the Company or its securities, to any person including other insiders, except to the extent hereinafter mentioned in the Code of Conduct or

- i. No person shall procure from or cause the communication by an Insider of UPSI, relating to the Company or its securities; or
- ii. An INSIDER shall not - Discuss UPSI in public places, or
- iii. An INSIDER shall not - Disclose UPSI to any Employee who does not need to know the information for discharging his or her duties, or
- iv. An INSIDER shall not - Recommend to anyone that they may undertake Trading in Securities of the Company while being in possession, control or knowledge of UPSI, or
- v. An INSIDER shall not - Be seen or perceived to be Trading in Securities of the Company while in possession of UPSI.

**PROHIBITION ON INSIDER TRADING**

An Insider shall not, directly or indirectly, –

- i. Trade in securities of the Company that are listed or proposed to be listed when in possession of UPSI;
- ii. Trade in securities of the Company except when the Trading Window is open and the Insider is not in possession of UPSI.
- iii. provide advise/ tips to any third party on trading in Company's securities while in possession of UPSI and

An insider who has ceased to be associated with the Company shall not, for a period of six months from date of such cessation, directly or indirectly trade in the Company's Securities while in possession of UPSI.

Trading in Securities of other companies. No Insider may, while in possession of unpublished price sensitive information about any other public company gained in the course of employment with the Company, (a) trade in the securities of the other public company, (b) "tip" or disclose such material non-public information concerning that company to anyone, or (c) give trading advice of any kind to anyone concerning the other public company.

No Insider may take positions in derivative transactions in the securities of the Company at any time.

The restriction in (i) above may not apply to:

- a) a transaction that is an off-market inter-se transfer between Insiders who were in possession of the same UPSI without being in breach of these Rules and both parties had made a conscious and informed trade decision; and
- b) Trades pursuant to a Trading Plan set up in accordance with these Rules and SEBI Regulations.

When a person has traded in securities while 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.

#### **TRADING PLAN**

1. A Designated Person shall be entitled to formulate a Trading Plan that complies with the SEBI Regulations (a "Trading Plan") and present it to the Compliance Officer for approval and public disclosure. The trading plan may be executed only after the plan is approved by the Compliance Officer and disclosed to the stock exchanges on which the securities of the Company are listed.
2. Designated person shall not exercise any influence over the amount of securities to be traded, the price at which they are to be traded, or the date of the trade. Designated person may delegate discretionary authority to his/her broker, but in no

event Designated person may consult with the broker regarding executing transactions, or otherwise disclose information to the broker concerning the Company that might influence the execution of transactions, under the Trading Plan after it commences.

3. The Trading Plan once approved shall be irrevocable and the Designated Person 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. However, the implementation of the Trading Plan shall not be commenced, if at the time of formulation of the plan, the Designated Person is in possession of UPSI and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Trading Plan shall be deferred until such UPSI becomes generally available information.

#### **TRADING WINDOW**

- A. The trading period, i.e. the trading period of the stock exchanges, called “trading window”, is available for trading in the Company’s securities. Designated Persons and their immediate relatives will not be able to deal in Company’s securities if the Trading Window is intimated as being closed by the Company.
- B. The trading window shall be inter alia, closed at the time of
  - a) not later than end of every quarter till 48 hours after declaration of financial results (quarterly, half-yearly and annual);
  - b) Declaration of dividends (interim and final);
  - c) Issue of securities by way of public/ rights/bonus, etc.;
  - d) Any major acquisition/ expansion plans or execution of new projects;
  - e) Amalgamation, mergers, takeovers and buy-back
  - f) Disposal of whole or substantially whole of the undertaking;
  - g) Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect prices of the securities of the Company.
- C. The period of closure of the trading window shall be effective from the date on which the Company sends intimation to the Stock Exchange advising the date of the Board Meeting, up to 48 hours after the Unpublished Price Sensitive Information is submitted to the Stock Exchange/made public.
- D. When the trading window is closed, the Designated Persons shall not trade in the Company’s securities in such period.
- E. 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.

- F. 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 reopening of the trading window, however in any event it shall not be earlier than forty-eight hours after the information becomes generally available.
- G. In certain circumstances and on case to case basis, as and when deemed fit and appropriate, a longer closure period may be specified by the Compliance Officer to all the concerned persons and the appropriate authority(ies), if any.
- H. 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.
- I. 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.

#### **PRE-CLEARANCE OF TRADES**

All Designated Persons, (including immediate relatives) who intend to deal in the securities of the Company during free period and if the value of the proposed trades is above 50,000 shares or up to Rs. 10 Lakhs (market value) or 1% of total shareholding, whichever is less, should pre-clear the transaction. 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.

The pre-dealing procedure shall be hereunder:

1. An application may be made in the prescribed Form 1 (**Annexure 1**) to the Compliance officer indicating the estimated number of securities that the Designated Persons intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by any rule made by the company in this behalf.
2. An undertaking (**Annexure 2**) shall be executed in favour of the Company by such Specified Employee incorporating, inter alia, the following clauses, as may be applicable:



- That the employee/director/officer does not have any access or has not received “Price Sensitive Information” up to the time of signing the undertaking.
  - That in case the Designated Persons 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 change in his position 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 from time to time.
  - That he/she has made a full and true disclosure in the matter.
3. The Compliance Officer shall grant approval on receipt of duly filled application along with the necessary undertaking, documents and other information as required by the Compliance Officer **(Annexure 3)**.
  4. All Designated Persons shall execute their order in respect of securities of the Company within 7 trading days after the approval of pre-clearance is given. The Designated Persons shall file within 2 (two) trading days of the execution of the deal, the details of such deal with the Compliance Officer in the prescribed form. In case the transaction is not undertaken, a report to that effect shall be filed. **(Annexure 4)**.
  5. If the order is not executed within seven trading days after the approval is given, the designated persons must pre-clear the transaction again.
  6. All Designated Persons who buy or sell any number of shares of the Company shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. All Designated Persons shall also not take positions in derivative transactions in the shares of the Company at any time. In case of any contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Securities and Exchange Board of India (SEBI) for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

Provided that this shall not be applicable for trades pursuant to exercise of stock options.

7. The Compliance Officer shall confidentially maintain a list of such securities as a “restricted list” which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.

8. The Compliance Officer may waive off the holding period in case of sale of securities in personal emergency after recording reasons for the same. However, no such sale will be permitted when the Trading window is closed.

## **REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES**

### **A. Initial Disclosure**

Every promoter, member of the promoter group, Key Managerial Personnel, Director of the Company, within thirty days of these regulations taking effect, shall forward to the Company the details of all holdings in securities of the Company presently held by them including the statement of holdings of dependent family members in the prescribed **Form A**.

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 as on the date of appointment or becoming a promoter, to the Company within seven days of such appointment or becoming a promoter in the prescribed **Form B**.

### **B. Continual Disclosure**

Every promoter, member of the promoter group, Key Managerial Personnel, Director of the Company shall disclose to the Company the number of such securities acquired or disposed of within 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. Ten Lacs in the prescribed **Form C**.

The Company at its discretion may require any other connected person or class of connected persons to make disclosures of his holding and trading in equity shares of the Company in the prescribed **Form D** and at such frequency as determined by the Company.

## **DISCLOSURE BY THE COMPANY TO THE STOCK EXCHANGE(S)**

Within 2 trading days of the receipt of intimation regarding acquisition/disposal of securities, the Compliance Officer shall disclose to all Stock Exchanges on which the Company is listed, the information received. 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.

## **MECHANISM FOR PREVENTION OF INSIDER TRADING**

1. In order to ensure compliance with the requirements given in the Regulations to prevent insider trading, the CEO or the Managing Director shall put in place adequate and effective system of internal controls as may be stipulated in the Regulations including but not limited to:

- i. Identify all employees having access to UPSI as Designated Persons;
- ii. Identify all the UPSI and maintain its confidentiality;
- iii. Impose adequate restrictions on communication or procurement of UPSI;
- iv. Maintain list of all employees with whom UPSI has been shared and execute Confidentiality Agreement and/or serve notice to such persons for maintaining confidentiality of UPSI;
- v. Undertake periodic process review to evaluate effectiveness of such internal controls; and
- vi. Maintain a structured digital database containing the names of such persons or entities as the case may be with whom UPSI is shared along with PAN or any other identifier authorised bylaw and provide for adequate internal controls and checks such as time stamping and audit-trials to ensure non-tampering of the database.
- vii. Designated Persons shall be required to disclose names and Permanent Account Number (PAN) or any other identifier as per the law to the Company on an annual basis and as and when the information changes for the following persons:
  - Immediate Relatives
  - Persons with whom the designated person shares a material financial relationship
  - Phone and mobile numbers which are used by them.

In addition to the above, the Designated Person shall also disclose the names of educational institutions for where they have graduated and name(s) of their past employers (if any) on a one time basis.

2. The Board shall ensure that the CEO or the Managing Director ensures compliance with Regulation 9(1) of the Regulations;
3. The Audit Committee of the Board shall review compliance with the provisions of the Regulations at least once in a financial year and shall verify that the systems for internal controls are adequate and are operating effectively.
4. The Compliance Officer shall report to the Board of Directors 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, but not less than once in a year.
5. Procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information:
  - i. The Company has in place Whistle Blower Policy to enable employees to report instances of leak of UPSI/suspected leak of UPSI;

- ii. The procedures to be followed for inquiry in case of leak of UPSI or suspected leak of UPSI is detailed hereunder:
  - Any person (“Whistle Blower”) who discovers that there is an instance of leak of UPSI or suspects leak of UPSI can report such instance to the Compliance Officer.
  - It being a matter of utmost importance, the Whistle Blower is advised to mention the subject line “LEAK OF UPSI” in all his email/written communications,
  - Upon receipt of any reporting, the Compliance Officer shall forward a copy in confidence to the Chairman of the Audit Committee.
  - If the instance of leak of UPSI is found genuine, the Chairman of the Audit Committee (in consultation with the Compliance Officer) shall conduct appropriate inquiry in the matter and intimate its outcome to the Board and the Audit Committee at their next meeting.
  - Based on the recommendations of the Board, the Company shall take further action in the matter and inform SEBI of such leaks, inquiries and results of such inquiries, and
  - If it is established that the allegation was made by the Whistle Blower with mala fide intentions or was frivolous in nature, the Whistle Blower shall be subject to disciplinary action.
6. The Company suo moto reserves the right of initiating an inquiry under this Policy against any Insider or Designated Person, if it has reasons to believe that such person has leaked UPSI or suspected to leak UPSI.
7. The timing for re-opening of the trading window shall be determined by the Compliance Officer taking into account various factors including the UPSI in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than 48 (forty-eight) hours after the information becomes generally available.

#### **PENALTY FOR CONTRAVENTION OF THE CODE OF CONDUCT**

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).

Any Designated Person who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalised and appropriate action may be taken by the Company.

Designated Person who violates the Code shall also be subject to disciplinary action which may include wage freeze, suspension, recovery, clawback etc., that may be imposed by the Company.

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.

In case it is observed by the Compliance Officer that there has been a violation of the Policy by any person, he/she shall forthwith inform the Compensation Committee of the Company about the violation. The penal action will be initiated on obtaining suitable directions from the Compensation Committee.

The Compliance Officer shall simultaneously inform SEBI about such violation. The person, against whom information has been furnished by the Company/Compliance Officer to SEBI for violations of the Policy, shall provide all information and render necessary co-operation as may be required by the Company/Compliance Officer or SEBI in this connection.

## **OVERVIEW OF THE OPERATIONS, REQUIREMENT AND MAINTENANCE OF THIS STRUCTURED DIGITAL DATABASE (SDD)**

### **1. Introduction to Structured Digital Database**

In the interest of general public, fair trading in securities markets and to prohibit insider trading in corporates and other organizations, Securities and Exchange Board of India (SEBI) has enacted SEBI (Prohibition of Insider Trading) Regulations, 2015 which sets clear rules and procedures for dealing in securities by the Promoters, Directors, Key Managerial Personnel (KMP) and other Designated Persons those who have access to Unpublished Price Sensitive Information (UPSI – information which is not published, but which may affect the share price when it gets published) in an organisation.

### **2. Meaning of Structured Digital Database as per PIT Regulations**

- SDD is a Digital Database which
- should be maintained internally by the company
- should be maintained with adequate internal checks, time stamping and audit trails should be non-tamperable
- Should not be outsourced
- Containing the details such as, name of persons with whom the UPSI have been shared with, name of persons for whom there is an access to UPSI, PAN of those persons, any other Identification number authorized by Law

In general, SDD is a kind of Digital Database which should be maintained internally in a non-tamperable manner along with time-stamping and audit trail. It must be maintained in a specific Database software which consist of features such as Non-tamperable, Time-stamping and Audit trail which allows the database to capture the changes along with the date and time whenever the data gets added or edited. The Database must contain the name and PAN number of Persons with whom the UPSI have been shared.

### **3. Information that can be considered as Unpublished Price Sensitive Information (UPSI)**

Unpublished price sensitive information 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:

- Financial results
- Dividends
- Change in capital structure
- Mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions
- Changes in key managerial personnel

In general, any information which is unpublished, but have an impact on the securities of the company upon getting published to the general public is an Unpublished Price Sensitive Information.

### **4. Use of Structured Digital Database**

SDD is used to keep record of persons with whom the price sensitive information or UPSI have been shared with. This Database will act as a check for those persons who have possession of UPSI, from dealing in securities in a manner for their personal gain by using the unpublished information. This Database can also help as an evidence in case of any investigation relating to violation of insider trading norms.

### **5. Who should be maintaining the Structured Digital Database**

The Board of Directors or Head(s) of the organization should ensure that the unpublished price sensitive information is maintained in their respective organization. Company Secretary or Compliance Officer can maintain the database. The Board can authorize any person internally to maintain the Database but ensure that the information of those who are maintaining the Database is also getting captured in the Database, as they have access to UPSI.

### **6. Time period for preservation of Structured Digital Database**

SDD should be preserved for a period of not less than eight (8) years after completion of the relevant transactions and in the event of receipt of any information from the Securities and Exchange Board of India regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings in addition to the above said 8 years.

## 7. Consequences of not maintaining Structured Digital Database

The Stock Exchanges from August 4, 2022, have mandated the filing of Compliance Certificate by Compliance Officer of Listed entity in a prescribed format which gives a certification regarding the maintenance of SDD in their respective Organizations.

If any insider who,

- either on his own behalf or on behalf of any other person, deals in securities of a body corporate listed on any stock exchange on the basis of any unpublished price sensitive information; or
- communicates any unpublished price sensitive information to any person, with or without his request for such information except as required in the ordinary course of business or under any law
- counsels, or procures for any other person to deal in any securities of any body corporate on the basis of unpublished price sensitive information, shall be liable to a penalty which shall not be less than ten lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of insider trading, whichever is higher.

**SPECIMEN OF APPLICATION FOR PRE-TRADING APPROVAL**

**To,  
The Compliance Officer,  
GALLANTT ISPAT LIMITED**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Insider Trading Policy, I seek approval to purchase/sell/subscribe to equity shares of the Company as per details given below:

I declare that I am not in possession of any unpublished price sensitive information.

1.	Name of the applicant & If applicable Name of the relative	
2.	Employee ID (if Applicable)	
3.	Designation	
4.	Number of securities held as on date	
5.	Folio No. / DP ID / Client ID No.	
6.	The proposal is for	(a) Purchase of securities (b) Subscription to securities (c) Sale of securities
7.	Proposed date of trading in securities	
8.	Estimated number of securities proposed to be purchased/subscribed/sold	
9.	Current market price (as on date of application)	
10.	Whether the proposed transaction will be through stock exchange or off-market trade	
11.	Folio No. / DP ID / Client ID No. where the securities will be credited / debited	

**I enclose herewith the Undertaking signed by me.**

**Signature:** .....

**Name:**

**Date:**



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

**To,  
The Compliance Officer,  
GALLANTT ISPAT LIMITED**

I, ....., of the Company residing at ....., am desirous of trading 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 any unpublished price sensitive information up to the time of signing this Undertaking.

In the event that I have access to or receive any unpublished price sensitive information 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 trading in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Code of Conduct as notified by the Company from time to time.

In the event of this transaction being in violation of the Code of Conduct or the applicable laws,

- a) I will, unconditionally, release, hold harmless and indemnify to the fullest extent, the Company and its directors and officers, (the 'indemnified persons') for all losses, damages, fines, expenses, suffered by the indemnified persons,
- b) I will compensate the indemnified persons for all expenses incurred in any investigation, defense, crisis management or public relations activity in relation to this transaction and
- c) I authorize the Company to recover from me, the profits arising from this transaction and remit the same to the SEBI for credit of the Investor Protection and Education Fund administered by the SEBI.

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



If approval is granted, I shall execute the trade within seven trading days of the receipt of approval failing which I shall seek pre-clearance afresh.

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

**Signature:** .....

**Name:**

**Designation:**

**DIN/Employee Code/PAN:**

**Address:**

**Date:**

**Place:**



**PRE-CLEARANCE APPROVAL**

**To,**  
**Name:** \_\_\_\_\_  
**Designation:** \_\_\_\_\_  
**Place:** \_\_\_\_\_

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

In case you do not execute the approved transaction/deal on or before the aforesaid date you would have to seek fresh pre-clearance before executing any transaction/deal in the securities of the Company. Further, you are required to file the details of the executed transactions in the attached format within 2 days from the date of transaction/deal. In case the transaction is not undertaken a 'Nil' report shall be necessary.

**Yours faithfully,**  
**For GALLANTT ISPAT LIMITED**

**COMPLIANCE OFFICER**  
**Date:**

**Encl: Format for submission of details of transaction**



**ANNEXURE 4**

**DISCLOSURE OF TRANSACTIONS WITH REFERENCE TO PRE-CLEARANCE APPROVAL OBTAINED**

**To,  
The Compliance Officer,  
GALLANTT ISPAT LIMITED**

I hereby inform that I

- have not bought / sold/ subscribed any securities of the Company
- have bought/sold/subscribed to ..... securities as mentioned below on ..... (date) (strikeout whichever is not applicable)

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

I declare that the above information is correct and that no provisions of the Company’s Code and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

**Signature:** .....

**Name:**

**Designation:**

**DIN/Employee Code/PAN:**

**Date:**