GALLANTT

GML/GKP/2018-19
March 30, 2019

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| Corporate Relationship Manager<br>**Bombay Stock Exchange Limited**<br>Floor 25, P J Towers,<br>Dalal Street, Mumbai- 400 001. INDIA.<br>Scrip Code: 532726 | Mr. Hari K. – V.P.-Listing<br>**National Stock Exchange of India Limited**<br>"EXCHANGE PLAZA", Bandra – Kurla Complex,<br>Bandra (East), Mumbai- 400 051. INDIA.<br>Scrip Code: GALLANTT |

Sir/Madam,

**SUB: OUTCOME OF THE BOARD MEETING – SATURDAY, 30.03.2019 - MEETING OF THE BOARD COMMENCED AT 5.30 P.M. AND CONCLUDED AT 7.00 P.M.**

The Board of Directors at their meeting held on today, the 30th March, 2019, **inter alia** has decided and approved following **important** businesses:

1. Reappointment of Mr. Prashant Jalan (DIN: 06619739) as a Whole-Time Director of the Company for a period of Three Years. (Profile of Mr. Prashant Jalan is enclosed).

2. Approval of revised Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. **(Copy enclosed).**

3. Approval of Materiality thresholds for Related Party Transactions; and the manner of dealing with the transactions between the Company and its Related Parties. **(Copy enclosed).**

4. Approval for Amendment in Terms of Reference of the Nomination and Remuneration Committee of the Board.
5. Approval for Amendment in Terms of Reference of the Stakeholders Relationship Committee of the Board.

6. Approval for Amendment in Terms of Reference of the Audit Committee of the Board.

7. Policy For Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information ("UPSI"). **(Copy enclosed).**

8. Approval of Amended Code of Conduct for Board of Directors and Senior Management **(Copy enclosed).**

GALLANTT METAL LIMITED

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REGISTERED OFFICE : 1, CROOKED LANE, 2ND FLOOR, KOLKATA - 700 069
Telefax : 033-2231 2429, e-mail : gml@gallantt.com, Website : www.gallantt.com
Corporate Identification No. : L27109WB2005PLC101553

9. Approval of Amended Whistle Blower Policy (Vigil Mechanism) **(Copy enclosed).**

10. Approval of Amended Risk Management Policy **(Copy enclosed).**

11. Approval of Amended Nomination and Remuneration Policy **(Copy enclosed).**

12. Approval of Amended Material Subsidiary Policy **(Copy enclosed).**

13. Policy for determining materiality of Events **(Copy enclosed)**

Thanking you,

Yours faithfully,

**GALLANTT METAL LIMITED**

GALLANTT METAL LIMITED

Company Secretary

Tarun Kumar Rathi

**(COMPANY SECRETARY)**

M.N. A53303

Encl: As above

# GALLANTT METAL LIMITED

## CODE OF CONDUCT
## FOR
## PREVENTION OF INSIDER TRADING

## AND

## CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

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, counseling 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 Metal 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 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 (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.

"'THE POLICY AND CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING" and the "CODE FOR
CORPORATE DISCLOSURE PRACTICES are hereinafter referred to as the **Code of Conduct**.

The Code of Conduct will be effective March 30, 2019, the date of approval by the Board of Directors.

The Code of Conduct shall also be uploaded on the website of the Company at www.gallantt.com

The following terms and phrases as used anywhere in this Code of Conduct shall be interpreted to convey the meaning ascribed to them hereunder:

1. **Applicability:**

   The Code is applicable to the designated persons and immediate relatives of designated persons of the group as defined in the code from time to time.

2. **Audit Committee**

   Audit Committee means Audit Committee of the Board constituted under the Companies Act, 2013.

3. **Board of Directors**:

   "Board" or "Board of Directors" means the Board of Directors of the Company including any committee of the Board

4. **Company:**

   "Company" means Gallantt Metal Limited

5. **Compliance Officer**

   "Compliance Officer" means the Company Secretary of Gallantt Metal Limited.

6. **Connected Person**

   "Connected Person," includes –

   i. A Director of the Company;

   ii. A Key Managerial Personnel of the Company;

   iii. An Officer of the Company;

   iv. Any person who is or has been in a contractual or fiduciary or employment relationship at any time in the six month period prior to the date of determining whether that person, as a result of such relationship, was, directly or indirectly,(x)allowed access to Unpublished Price Sensitive Information (UPSI )or (y)reasonably expected to be allowed access to Unpublished Price Sensitive Information (UPSI);

   v. Any person who is or has been in frequent communication with an Officer of the Company at any time in the six month period prior to the date of determining whether that person, as a result of such frequent communication, was, directly or indirectly, (x) allowed access to Unpublished Price Sensitive Information (UPSI) or (y) reasonably expected to be allowed access to Unpublished Price Sensitive Information (UPSI);

vi. An employee of the Company who has access to Unpublished Price Sensitive Information (UPSI) or is reasonably expected to have access to Unpublished Price Sensitive Information (UPSI);

vii. Any person who has a professional or business relationship and that relationship, directly or indirectly, (x) allows access to UPSI or (y) is reasonably expected to allow access to UPSI;

viii. Any person classified as a "**Designated Person**" defined as below:

a. Promoters of Gallantt Metal Limited;

b. Directors of Gallantt Metal Limited and its subsidiaries and associates;

c. All employees of the Group who are in the cadre of Manager and above;

d. All employees of the group in the Finance and accounts / Corporate Secretarial/ Communications department across the Group.

e. the executive/personal secretarial staff of the Chairman , CEO & Managing Director

f. Any other Connected Person designated by the Board members/Compliance Officer on the basis of their functional role in the organisation.

g. persons (including representatives of the auditors, accountancy firms, analysts, consultants etc.,) as identified by the Compliance Officer in consultation with the Board in line with the objectives of the Code.

h. Chief Executive Officer and employees upto two levels below Chief Executive Officer of the company, intermediary, fiduciary and its material subsidiaries irrespective of their functional role in the company or ability to have access to unpublished price sensitive information;

i. Any support staff of the company, intermediary or fiduciary such as IT staff or secretarial staff who have access to unpublished price sensitive information."

h. Immediate relatives of 'a' to 'i' above.

The persons enumerated below shall be **deemed to be Connected Persons** if such person has access to UPSI or is reasonably expected to have access to UPSI

a. Immediate relative of Connected Persons;

b. A holding company or associate company or subsidiary company;

c. An intermediary as specified in section 12 of the SEBI Act or an employee or director thereof An investment company, trustee company, asset management company or an employee or director thereof;

d. An official of a stock exchange or of clearing house or corporation;

e. 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;

f. 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;

g. An official or an employee of a self-regulatory organization recognised or authorized by the SEBI;

h. A banker of the Company;

i. 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 10%percent of the holding or interest.

7. **Contra Trade**

"Contra Trade'' means a trade or transaction which involves buying or selling any number of shares of the Company and within 6 months trading or transacting in an opposite transaction involving sell or buy following the prior transaction."

8. **Director**

"Director" means a director appointed to the Board of a Company.

9. **Group** means Gallantt Metal Limited, its subsidiaries and associates Companies**.**

10. **Immediate Relative**

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

11. **Insider**

An insider means any person who is:

(i)a Connected Person or

(ii)In possession of or having access to Unpublished Price Sensitive Information.

12. **Key Managerial Personnel**

"Key Managerial Personnel" in relation to a company, means-

i. the Chief Executive Officer or the Managing Director or the Manager;

ii. the Whole time director;

iii. the Chief Financial Officer;

iv. the Company Secretary and

v. Such other officer as may be prescribed by the Companies Act 2013.

13. **"Material financial relationship**" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationships in which the payment is based on arm's length transactions

14. **Officer**

"Officer" includes any Director, Manager or Key Managerial Personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act;

**15. Securities**

"Securities" shall have the meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 or any modification thereof except units of a mutual fund, which as follows

"Securities" include—

*(i)* shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body Corporate

a) Derivatives;

b) Security receipt as defined in clause (zg) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002

c) Units or any other such instrument issued to the investors under any mutual fund scheme

*(ii)* Government securities; Such other instruments as may be declared by the Central Government to be securities; and

*(iii)* Rights or Interest in securities;

**16. Trading**

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

Words and expressions used and not defined in the Code of Conduct but defined in the Securities and Exchange Board of India Act, 1992, Securities and Exchange Board of India(Prohibition of Insider Trading) Regulations 2015, the Securities Contracts (Regulation) Act,1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislations.

**17. Unpublished Price Sensitive Information ("UPSI")**

Unpublished Price Sensitive Information ("UPSI") means any information, which relates directly or indirectly, to the Company or its securities, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities of the Company.

"Generally available" information means information that is accessible to the public on a non-discriminatory basis.

UPSI includes, without limitation, information relating to the following:

i. Consolidated or standalone quarterly/half yearly/ annual audited or unaudited financial results, financial condition, projections or forecasts of the Group;

ii. Dividends (both interim and final);

iii. Change in capital structure not limited to following;

a) Issue of any class of securities.

b) Acquisition, merger, de-merger, amalgamation, restructuring, scheme of arrangement, spin off of setting divisions of the company, etc.

c) Change in market lot of the company's shares, sub-division of equity shares of the company.

d) Voluntary delisting by the company from the stock exchange(s).

e) Forfeiture of shares.

f) Any action which will result in alteration in the terms regarding redemption/cancellation/retirement in whole or in part of any securities issued by the company.

g) Information regarding opening, closing of status of ADR, GDR or any other class of securities to be issued abroad.

h) Cancellation of dividend/rights/bonus, etc.

iv. Mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;

v. Changes in the Key Managerial Personnel; and

vi. The following Material events

a) Developments with respect to pricing/realisation arising out of change in the regulatory framework

b) Any regulatory development/ action (positive or negative) that can have material impact on future operations and financials of the Company or the Group including its ability to continue to perform its normal business operations

c) Revision in credit ratings

d) Any other information having bearing on the financials/operation/performance of the Company or the Group.

f) Commencement of commercial production/commercial operations

vii. The following financial transactions having financial impact of in revenue or in profits:

a) Changes in the general character or nature of business including entering into new lines of business/ development of new products

b) Disruption of operations due to natural calamity

c) Business transactions including manufacturing expansion (both Greenfield and brownfield), entering into or terminating licensing or contract manufacturing agreements.

d) Litigation /dispute with a material impact.

**DUTIES OF THE COMPLIANCE OFFICER**

The Compliance Officer shall be responsible for:

- Setting forth policies in relation to the implementation of the Code of Conduct and the Regulations in consultation with the Board/Audit Committee.
- Prescribing procedures for various activities referred to in the Code of Conduct and the Regulations.
- Compliance with the policies and procedures referred hereinabove.
- Monitoring adherence to the regulations for the preservation of UPSI.
- Grant of pre-trading approvals to the Designated Persons for trading in the Company's Securities by them / their Immediate Relatives and monitoring of such trading.
- Implementation of Code of Conduct under the general supervision of the Audit Committee and the overall supervision of the Board of the Company.
- The Compliance Officer shall assist all the Designated Persons in addressing any clarifications regarding the Regulations and this Code of Conduct.
- The Compliance Officer shall close the trading window for such periods as he/she may deem fit in compliance with the provisions of this code.

The Compliance officer shall maintain a record of designated persons such as Directors, such employees and connected persons including representatives of the auditors, accountancy firms, law firms, analysts, consultants, etc., as identified by the Board and their immediate relatives and changes thereto from time to time. He will also assist the designated persons in addressing any clarifications regarding the Regulations and this policy/code.

The compliance officer shall confidentially maintain a list of such securities as a "restricted list" (if any) which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.

**Every quarter the Compliance Officer will present to the Audit Committee Chairman the material facts relating to the trading of securities by the designated persons along with the documents that such person has executed in accordance with the pre-trading procedure prescribed under this policy.**

**PROHIBITION ON COMMUNICATING OR PROCURING UPSI**

i. 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

ii. No person shall procure from or cause the communication by an Insider of UPSI, relating to the Company or its securities; or

iii. An INSIDER shall not- Discuss UPSI in public places, or
iv. An INSIDER shall not- Disclose UPSI to any Employee who does not need to know the information for discharging his or her duties, or
v. 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
vi. An INSIDER shall not -Be seen or perceived to be Trading in Securities of the Company while in possession of UPSI.

The Specified persons who are privy to UPSI, shall handle the same strictly on a "need to know" basis. This means the UPSI shall be disclosed only to those persons who need to know the same in furtherance of a legitimate purpose, the course of performance of discharge of their duty and whose possession of UPSI will not in any manner give rise to a conflict of interest or likelihood of misuse of the information.

**LIMITED ACCESS TO CONFIDENTIAL INFORAMTION**

Specified Persons privy to confidential information shall, in preserving the confidentiality of information, and to prevent its wrongful dissemination, adopt among others, the following safeguards.

File containing confidential information shall be kept secure

Computer files must have adequate security of long through a password

Follow the guidelines for maintenance of electronic records and systems as may be prescribed by the Compliance officer from time to time in consultation with the person in charge of information technology function.

To prevent the misuse of UPSI, the Company will have the policy which separates those departments which routinely have access to UPSI, considered "inside areas" form those departments which deal with sale/marketing or other departments providing support services, considered "public areas".

As per this policy, the employees in the inside areas are not allowed to communicate any UPSI or anyone in the public areas, the employees in inside area may be physically separated from the employee in public area and the demarcation of various departments as inside area shall be determined by the Compliance Officer in consultation with the Board.

Provided that nothing contained above shall be applicable when an UPSI is communicated, provided, allowed access to or procured:

1) in furtherance of legitimate purposes, performance of duties or discharge of legal obligations pursuant to appropriate confidentiality and non-disclosure agreements being executed; or

2) in the event the Board of Directors direct or cause the public disclosure of UPSI in the best interest of the Company pursuant to appropriate confidentiality and non-disclosure agreements being executed; or

3) within a group of persons if such persons have been identified and secluded within a "Chinese wall" or information barrier by the Compliance Officer from the rest of the Company for a particular purpose or for a specified period of time in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, and are subjected to, among other conditions, additional confidentiality obligations, information barriers designed to prevent exchanges of UPSI outside the "Chinese wall."

## PROHIBITION ON INSIDER TRADING

An Insider shall not, directly or indirectly, –

i. Trade in securities 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.

Provided the restriction in 3 (i) above shall not apply to:

1) a transaction that is an off-market inter-se transfer between Promoters who were in possession of the same UPSI without being in breach of this Code of Conduct and both parties had made a conscious and informed trade decision; and

2) Trades pursuant to a Trading Plan set up in accordance with this Code of Conduct.

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.

## TRADING WINDOW

1) The Compliance Officer shall notify a 'trading window' during which the Designated Persons may trade in the Company's securities after securing pre-clearance from the Compliance Officer in accordance with this Code of Conduct.
2) Designated Persons shall not trade in the Company's securities when the trading window is closed (it may be termed as "Prohibited Periods) .
3) In respect of declaration of financial results, the Trading Window shall be closed at least 7 days prior to the date of Board Meeting wherein the quarterly or annual standalone / consolidated financial results, as the case may be, are declared. The closure of Trading Window for purposes other than declaration of financial results and for which a specific notice/intimation is required to be given to stock exchange shall commence from the date on which intimation of the date of Board meeting for consideration of any such Price Sensitive Information is given to Stock Exchange. However, if the circumstances so warrant, the time for closing the Trading Window may be increased or decreased by the Compliance Officer with the approval of Chairman /Managing Director. The timing for re-opening of the trading window for the information referred to above shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available. All Directors, Officers, Designated Persons and their immediate relatives of the company or Group shall conduct all their dealings in the securities of the Company only during the valid trading window and shall not deal in any transaction involving the purchase or sale of the Company's securities during the prohibited periods or during any other period as may be specified by the Company from time to time. 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. In case of ESOPs, exercise of option may be allowed in the period when the trading window is closed. However sale of shares allotted on exercise of ESOPs shall not be allowed when trading window is closed.

4) Additionally, the trading window shall be closed in particular for a Designated Person or class of Designated Persons when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI, for such periods as determined by the Compliance Officer.

5) Unless otherwise specified by the Compliance Officer, the trading window for Trading in Securities of the Company shall be closed for the Designated Persons when the Compliance Officer determines that a Designated Person or class of Designated Persons are reasonably expected to have Unpublished Price Sensitive Information ( UPSI), including for the following purposes:

1. Declaration of financial results,
2. Declaration of Dividends,
3. Change in capital structure,
4. Mergers, de-mergers, acquisitions, delisting's, disposals and expansion of business and such other transactions,
5. Change in Key Managerial Personnel and

The trading window shall be opened 48 hours after the information referred to above become generally available. All the designated persons shall strictly conduct all their Trading in the Securities of the Company only when the Trading Window is open and no Designated person or their immediate relative shall trade in securities of the company during the period the trading window is closed or during any other similar period as may be specified by the Compliance Officer from time to time.

Provided that trading window norms shall not be applicable for trades carried out in accordance with an approved trading plan.

**PRE APPROVALS OF DEALS IN SECURITIES**

Every designated person shall obtain a pre trading approval as per the procedure before doing any trading of the company securities either by himself or by any of his Immediate Relatives. The designated person should approach the compliance officer to execute the relevant prescribed forms and declarations and in case of compliance officer, he has to make application and declaration to MD of the Company. The application can be made by electronic forms followed by hard copy. No designated person shall apply for pre trading approval if such person is in possession of UPSI even if the trading window is closed.

The Compliance office will consider the application preferably on the same trading day but not later than next trading day provided that such approval will not result in breach of any provisions of this policy. The approval shall be issued in the specified format and shall be valid for period seven working days from the date of approval.

In the absence of Compliance officer any other authorized person not below the rank of senior manager from finance team or compliance team shall issue the approval.

As mentioned in the above para the period of validity for such approval will be for 7 days and the designated person should submit within two trading days of the execution of deal , the details of deal with Compliance Officer in a prescribed format. In case if the transaction is not undertaken a report to that effect shall be filed in the prescribed format.

In case of lapse of period ( 7 days) for execution of trading deal pursuant to the approval granted by the Compliance officer the designated person or Immediate relative of the designated person may apply once again to the compliance officer for pre clearance of the transaction covered under the said approval.

The designated persons shall not, within six months of buying or selling any number of Securities of the Company, enter into an opposite transaction i.e sell or buy, as the case may be, any number of securities of the company. The Compliance officer can grant relaxation from strict application of the above restriction after recording the reasons in this regard provided at such relaxation does not violate the regulations.

It may however, be noted that in terms of the Regulations no such purchase/sale will be permitted when the Trading window is closed.

Notwithstanding the above, should the designated persons execute an opposite transaction, inadvertently or otherwise in violation of the restrictions set out above, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the SEBI Act, 1992.

In case of doubt, the designated person shall check with the Compliance Officer or the officer designated by him/her from time to time whether the provisions relating to pre clearance are applicable to any proposed transaction in the Company`s Securities. All the designated person should give the declaration in the specified format addressed to the compliance officer stating the shares held by them and by their Immediate Relatives and giving the undertaking that they will not involve in any violation of insider trading regulations.

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

**PRE-CLEARANCE OF TRADING**

1.) **Designated Persons** may Trade in the securities of the Company when the trading window is open, after obtaining pre-approval Company by submitting an application as per **Annexure 1** and an undertaking as per **Annexure 2.**

2) Designated Persons shall not trade in shares of the Company and shall not apply for pre clearance if such Designated Person is in possession of UPSI even if the trading window is open.

3) The Compliance Officer shall not approve any proposed trade by Designated Person if the Compliance Officer determines that such Designated Person is in possession of UPSI even though the trading window is open.

4) The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve trading by a Designated Person, on the condition that the trade so approved shall be executed within seven trading days following the date of approval.

**5)** The Designated Person shall, within two days of the execution of the trade, submit the details of such trade to the Compliance Officer **as per Annexure 3.** In case the transaction is not undertaken, a report to that effect shall be filed in the **said form.**

6) If the pre-cleared trade is not executed within seven trading days after the approval is given, the Designated Person must secure pre-clearance of the transaction again.

7) A Designated Person who trades in securities without complying with the pre-clearance procedure as envisaged in these Code of Conduct or gives false undertakings and/or makes misrepresentations in the undertakings executed by him/her while complying with the pre-clearance procedure shall be subjected to the penalties as envisaged in these Code of Conduct.

## ADDITIONAL TRADING RESTRICTIONS ON DESIGNATED PERSONS

1) No Director, Key Managerial Personnel or Designated Persons shall enter into derivative transactions in respect of the securities of the Company.

2) No Designated Persons shall do intra-day trading in the securities of the Company.

3) All Designated Persons who trade in the securities of the company shall not enter into an opposite transaction/contra trade (buy and sell any number of shares and vice versa) during the next six months following the prior transaction. 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 SEBI for credit to the Investor Protection and Education Fund administered by SEBI. However the compliance officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing.

4) The above restriction on opposite transaction/contra trade shall not apply in case of exercise / sale of ESOP shares provided the Designated Persons do not possess UPSI and the sale is executed when the trading window is open.

5) Provided that restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan."

## TRADING PLAN

1) An INSIDER 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 pursuant to which Trades may be carried out in his behalf in accordance with such plan.

2) The Compliance Officer shall review and approve the Trading Plan if it complies with the SEBI Regulations and shall disclose the Trading Plan to the stock exchanges.

3) TRADING PLAN shall

i. Not entail starting of trading on behalf of the insider earlier than 6 months from the public disclosure.

ii. Entail trading period of 12 months. Not entail overlap of any period for which another trading plan is already in place.

iii. Not entail trading during the period between 20 trading days before the last day of any quarterly/half yearly/annual financial period for which the results are required to be announced and two trading days after the disclosure of such results.

iv. Set out the values 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. Not entail trading in securities for market abuse.

v. The compliance officer after reviewing the plan would approve the plan. Upon approval shall notify the stock exchanges.

vi. Implementation of the trading plan shall not be commenced if any UPSI in possession of insider at the time of formulating the plan has not become available at the time of implementation of the plan. In such case the commencement ought to be deferred.

vii. The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan without being entitled to either deviate from it or to execute any trade in the securities out the scope of the plan.

**PENALTY FOR INSIDER TRADING**

1) Any Director, Officer or Designated Person of the Company who violates this Code of Conduct may be subject to disciplinary action by the Audit Committee of the Company which may include the following:

First violation -

When Trading window is open - Warning letter

When Trading window is closed – Warning letter plus monetary penalty of 50% of the profit earned

Second violation -

When Trading window is open - monetary penalty of 50% of the profit earned When Trading window is closed – monetary penalty of 100% of the profit earned

# *"Profit"* - Profit for this purpose shall mean the difference between the selling price of the shares less exercise price / purchase price, as the case may be.

2. On any subsequent violations, such disciplinary action which may not be limited to reducing annual rating, holding up promotion for that year, non-eligibility for variable pay/bonus for that year, ineligibility for future participation in the Company's stock option, wage/salary freeze, suspension or dismissal as per the Company policy.

3. However, Audit Committee is permitted to take any disciplinary action including levying monetary penalty depending upon seriousness of the violation even though it is a first instance of violation.

4. Any penalty collected for violation of this code may be used for the Company's CSR expenses or remitted to Investor Education and Protection Fund (IEPF) in accordance with regulatory requirements.

5. The SEBI or any other appropriate regulatory authority would also be informed of the violation of this Code of Conduct. 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.

**DISCLSOURE REQUIREMENTS:**

| DISCLOSURE REQUIREMENTS TYPE OF DISCLOSURE | WHAT | BY | TO | DURATION | FORM |
|---|---|---|---|---|---|
| **INITIAL DISCLOSURES** | Holding of securities of the company as on date of appointment. | Upon becoming KMP, Director or Promoter | Company | Within 7 days of such appointment | FORM B set out in Annexure 4 |
| **CONTINUAL DISCLOSURES** | Securities traded, in aggregate, **IN A CALENDAR QUARTER**, | Any Designated person/Promoter /Director | Company | Within 2 trading days of such transaction | FORM C set out in Annexure 5 |
| | On receipt of such disclosure or on becoming aware of such information | Company | Stock Exchange | Within 2 trading days of receipt of disclosure | FORM C set out in Annexure 5 |
| **DISCLOSURE BY OTHER CONNECTED PERSON** | As required by the company– (*to disclose the holding and trading's at such frequency* ) | Connected Person | Company | As specified by the Company | FORM D set out in Annexure 6 |
| **ANNUAL DISCLOSURE** | Holding of securities of the Company | by Designated Persons | Company | as at Financial year beginning | F0RM E set out in Annexure 7 |

**MISCELLANEOUS**

1) The Board of Directors shall be empowered to amend, modify, interpret this Code of Conduct and such change shall be effective from such date that the Board may notify in this behalf.

2) The Compliance Officer shall provide to the Chairman of the Audit Committee or to the Chairperson of the Board, on a quarterly basis, the details of options exercised under ESOP and trading in securities by the Designated Persons including any violations of the Code of Conduct and SEBI (Prohibition of Insider trading) regulations, 2015.

3) The Compliance Officer shall maintain (a) updated list of Designated Persons, (b) records of disclosures and pre-clearance applications and undertakings for a period of five years and

4) The Company shall require all Connected Persons to formulate and adhere to a code of conduct to achieve compliance with this Code of Conduct. In case such persons observe that there has been a violation of the Code of Conduct, then they shall inform the Board of Directors of the Company promptly.

5) The Company has adopted the amended 'Code of practice and procedures for fair disclosure of Unpublished Price Sensitive Information' available at www.gallantt.com to regulate the Company's practices and procedures for fair disclosure of UPSI

6) It is the responsibility of the Connected Person to ensure compliance with the Code of Conduct. In case of any doubt a written correspondence should be done with the Compliance Officer and no action should be taken till the doubt is clarified in writing.

11. **CONTACT DETAILS OF COMPLIANCE OFFICER**:

Tarun Kumar Rathi
Company Secretary and Compliance Officer
Gallantt Metal Limited
1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069, India
OR
"GALLANTT HOUSE",
I-7, Jangpura Extension,
New Delhi – 110014.India
Email: csgml@gallantt.com

**Annexure 1**

APPLICATION FOR PRE-TRADING APPROVAL

To,
The Compliance Officer,

GALLANTT METAL 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_____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<br>(b) Subscription to securities<br>(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:

**Annexure 2**

UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE

To,

The Compliance Officer,
GALLANTT METAL 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:
Date:

**Annexure 3**

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

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

To,

The Compliance Officer,
GALLANTT METAL LIMITED

I hereby inform that I

i. have not bought / sold/ subscribed any securities of the Company
ii. have bought/sold/subscribed to_____securities as mentioned below on____(date) (Strike out whichever is not applicable)

| Name of holder | 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 of Conduct and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Signature:_____
Name:
Date:

**Annexure 4**

Form B

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (1) (b) read with Regulation 6(2)]

To,
The Compliance Officer,
GALLANTT METAL LIMITED (ISIN: INE297H01019)

Details of Securities held on appointment of Key Managerial Personnel or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2) of SEBI Regulations.

| Name, PAN No., CIN/DIN & Address with contact nos. | Category of Person (Promoters/ KMP / Directors/immediate Relatives/others etc.) | Date of appointment of Director /KMP OR Date of becoming Promoter /others etc.) | Securities held at the time of becoming Promoter/appointment of Director/KMP/ others etc.) | % of Shareholding | Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP/ others etc.) | Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director/KMP/ others etc.) |
|---|---|---|---|---|---|---|
| | | | | | | |

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.) | No. | | Contract Specifications | Number of units (contracts* lot size) | Notional value in Rupee terms | Contract Specifications | Number of units (contracts* lot size) | Notional value in Rupee terms | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |

Signature: _____ Name: _____ Date: _____

Annexure 5

**FORM C**

**SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2) read with Regulation 6(2) – Continual disclosure]**

To,
The Compliance Officer,
GALLANTT METAL LIMITED (ISIN: INE297H01019)

**Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

| Name, PAN, CIN/DIN, & address with contact nos | Categor y of Person (Promot ers/ KMP / Directors / Immediate relative to / others etc ) | Securities held prior to acquisition / disposal | | Securities acquired/Disposed | | | | Securities held post acquisition/disposal | | Date of allotment advice/ acquisition of shares/ sale of shares specify | | Date of intimation to company | Mode of acquisition / disposal (on market/public/ rights/ preferential offer / off market/ Inter-se transfer, ESOPs etc.) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Type of security (For eg. – Shares, Warrants , Convertible Debentures etc.) | No. and % of shareholding | 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 shareholding | From | To | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |

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

**Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

| Trading in derivatives (Specify type of contract, Futures or Options etc) | | | | | | Exchange on which the trade was executed |
|---|---|---|---|---|---|---|
| Type of contract | Contract specifications | Buy | | Sell | | |
| | | Notional Value | Number of units (contracts * lot size) | Notional Value | Number of units (contracts * lot size) | |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |

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

Name & Signature:

Designation:

Date:

Place:

**Annexure 6**

**FORM D**

**SEBI (Prohibition of Insider Trading) Regulations, 2015**
**Regulation 7(3) – Transactions by Other connected persons as identified by the company**
**Details of trading in securities by other connected persons as identified by the company**

To,
The Compliance Officer,
GALLANTT METAL LIMITED (ISIN: INE297H01019)

| Name, PAN, CIN/DIN, & address with contact persons, as identified by the company with contact nos. | 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 shareholding | 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 shareholding | From | To | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |

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

**Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

| Trading in derivatives (Specify type of contract, Futures or Options etc) | | | | | | Exchange on which the trade was executed |
|---|---|---|---|---|---|---|
| Type of contract | Contract specifications | Buy | | Sell | | |
| | | Notional Value | Number of units (contracts * lot size) | Notional Value | Number of units (contracts * lot size) | |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |

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

Name:

Signature:

Place:

Annexure 7

FORM E

To,

The Compliance Officer
GALLANTT METAL LIMITED,
Secretarial Department

Reg: Annual Disclosure of shareholdings in terms of the Code of Conduct for Prevention of Insider Trading by Designated Persons.

Following are the details of shares held by me, (Name) ….. (Designation and Department), and my immediate relatives and persons with whom I share a material financial relationship
(as defined in the Code).

| Name, Address & Contact details | Relationship | Names of educations institutions from which designated persons have studied and names of their past employers | PAN | No. of Shares held in the Company | Details such As Folio/DP ID/Client ID |
|---|---|---|---|---|---|
| | SELF | | | | |
| *Immediate Relatives & persons with whom I share a material financial relationship : | | | | | |
| 1. | | | | | |
| 2. | | | | | |
| 3. | | | | | |
| 4. | | | | | |
| 5. | | | | | |

* Please refer to the definition of “Immediate Relatives” & “material financial relationship is shared” under the Code.

Signature: Date:
Designation: Place:

# CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

## A. POLICY

The SEBI Regulations require the Company to formulate a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow in order to adhere to each of the principles set out in Schedule A to the SEBI Regulations.

The SEBI Regulations requires the Company to promptly disclose unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.

## B. CODE OF FAIR DISCLOSURE PRACTICES:

1. Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.

2. Uniform and universal dissemination of unpublished price sensitive unpublished price sensitive information to avoid selective disclosure.

3. Designation of a senior officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.

5. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.

6. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information.

7. Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.

8. Handling of all unpublished price sensitive information on a need-to-know basis.

**PUBLIC REPRESENTATION OF THE COMPANY AND THE GROUP.**

The Company honors the information requirements of the public and its stakeholders. In all its public appearance with respect to disclosing company and business information to public constituencies such as media, the financial community, employees, shareholders, agents, franchisees, dealers, distributors and importers. The Company shall be represented only by specifically authorized person by the Board. It shall be the sole responsibility of these authorized representatives to disclose information about the company.

**MINIMUM STANDARDS FOR CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS:**

The Code of conduct which is elaborated in the beginning comprising of duties and powers of the compliance officer along with the detailed procedure to monitor the prohibition of insider trading of company securities. However the gist of minimum standards that required are reproduced.

1. 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 a year.

2. The information shall be handled within the organization on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the legitimate purposes, performance of duties or discharge of legal obligations.

3. Designated persons and immediate relatives of designated persons in the organisation shall be governed by an internal code of conduct governing dealing in securities.

4. Designated persons may execute trades subject to compliance with these regulations. Towards this end, a notional trading window shall be used as an instrument of monitoring trading by the designated persons. The trading window shall be closed when the compliance officer 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. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed. 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

5. The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.

6. When the trading window is open, trading by designated persons shall be subject to preclearance by the compliance officer, if the value of the proposed trades is above such thresholds as the board of directors may stipulate.

7. Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

9. The code of conduct has specified reasonable timeframe, which in any event shall not be more than seven trading days, within which trades that have been pre-cleared have to be executed by the designated person, failing which fresh pre-clearance would be needed for the trades to be executed. "Provided that this shall not be applicable for trades pursuant to exercise of stock options."

10. The code of conduct has specified the period, which in any event shall not be less than six months, within which a designated person who is permitted to trade shall not execute a contra trade. The compliance officer may be empowered to grant relaxation from strict application of such restriction provided that such relaxation does not violate these regulations. Should a 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 Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.

11. The code of conduct has stipulated formats as the board of directors deems necessary for making applications for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance, recording of reasons for such decisions and for reporting level of holdings in securities at such intervals as may be determined as being necessary to monitor compliance with these regulations.

12. Without prejudice to the power of the Board under the Act, the code of conduct has stipulated the sanctions and disciplinary actions, including wage freeze, suspension, recovery, clawback etc., that may be imposed, by the persons required to formulate a code of conduct under sub-regulation (1) of regulation 9, for the contravention of the code of conduct.

13. The code of conduct has specified that in case it is observed by the listed company required to formulate a code of conduct under sub-regulation (1) of regulation 9, that there has been a violation of these regulations, it shall inform the Board promptly.

14.Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes:

a) immediate relatives
b) persons with whom such designated person(s) shares a material financial relationship
c) Phone, mobile and cell numbers which are used by them

In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis.
Explanation – The term "material financial relationship" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationships in which the payment is based on arm's length transactions."

Any contravention to the policy will attract the penal provisions under Section 15G of SEBI Act. Any person, employee, directors, KMP contravenes the provisions of Insider Trading regulations shall be punishable with a fine of Rs. 10 lakhs which may extend to Rs. 25 Crores or imprisonment for a period 2 years or both.

**RESPONDING TO MARKET RUMOURS**

The Company's general policy is not to comment upon such rumours.

In case there is any query or request for verification of market rumours by the stock exchanges, the Company Secretary shall carry out preliminary enquiry/investigation in to the circumstances resulting in origination of the rumour so as to ascertain the exact basis and nature of the rumour, actual/potential effect on movement of prices of the securities and other related factors; and an internal report will be prepared on the basis of the above and forwarded to the Chairman and/or Managing Director, CEO , CFO and Chief Investor Relation officer for deciding the response in the form of clarification, denial or rebuttal to be given to the stock exchange. If necessary, appropriate press release may also be given for information of the general investors.

**DISCLOSURE/ DISSEMINATION OF PRICE SENSITIVE INFORMATION WITHSPECIAL REFERENCE TO ANALYSTS, INSTITUTIONAL INVESTORS**

The Company should follow the guidelines given hereunder while dealing with analysts and institutional investors:

Only public information to be provided. The Company shall provide only public information to the analyst/ research persons/ large investors like institutions. Alternatively, the information given to the analyst should be simultaneously made public at the earliest.

Recording of discussion. In order to avoid misquoting or misrepresentation, it is desirable that at least two Company representatives including the Chief Investor Relations Officer be present at meetings with Analysts, brokers or Institutional Investors and discussion should preferably be recorded.

Handling of unanticipated questions. The Company shall be careful when dealing with analysts, questions that raise issues outside the intended scope of discussion. The Chief Investor Relations Officer, should tackle the unanticipated questions carefully. The unanticipated questions may be noted and a considered response be given later in consultation with the Managing Director/ Chief Executive Officer/ Chief Financial Officer. If the answer includes Price Sensitive Information, a public announcement should be made before responding.

Simultaneous release of information. When the Company organises meetings with analysts, the Company shall make a press release or post relevant information on its website after every such meet. The Company may also consider live webcasting of analyst meets.

# POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

For the purpose of illustration, the term "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.

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.

**VIOLATION OF THIS POLICY**

Any violation of this policy by an employee, designated person, officer, or director of the Group shall be brought to the attention of the Chief Executive Officer, Chief Financial Officer, Compliance Officer and the Board of Directors and may constitute grounds for termination of service.

**********

**Appendix A**

**AN EXTRACT OF SECTIONS 15G AND 24 THE SEBI ACT, 1992**

**A. PENALTY FOR INSIDER TRADING**

If any insider who,—

1) 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

2) 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; or

3) 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 Rs 10 lakh but which may extend to Rs 25 crore rupees or 3 times the amount of profits made out of insider trading, whichever is higher.

**B. OFFENCES**

1) Without prejudice to any award of penalty by the adjudicating officer under this Act, if any person contravenes or attempts to contravene or abets the contravention of the provisions of this Act or of any rules or regulations made thereunder, he shall be punishable with imprisonment for a term which may extend to ten years, or with fine, which may extend to twenty five crore rupees or with both.

2) If any person fails to pay the penalty imposed by the adjudicating officer or fails to comply with any of his directions or orders, he shall be punishable with imprisonment for a term which shall not be less than one month but which may extend to ten years, or with fine, which may extend to twenty five crore rupees or with both.

**********

# GALLANTT METAL LIMITED

# Policy on Related Party Transactions

## 1. INTRODUCTION

The Board of Directors ("Board") of Gallantt Metal Limited ("Company") has adopted the following policy and procedures with regard to Related Party Transactions after considering the recommendations of the Audit Committee, and associated procedures with regard to Related Party Transactions, in line with the requirements of Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("SEBI LODR") as may be applicable to the Company. This Policy will be effective March 30, 2019.

This Policy is intended to ensure that proper reporting, approval and disclosure processes are in place in order to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations applicable to the Company. This Policy specifically deals with the review and approval of material Related Party Transactions, keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

## 2. OBJECTIVE OF THE POLICY

This Policy is framed based on provisions of SEBI LODR and Companies Act, 2013 and is intended to ensure the governance and reporting of transactions between the Company and its Related Parties. The objective of this Policy is to set out:

a) Materiality thresholds for Related Party Transactions; and
b) The manner of dealing with the transactions between the Company and its Related Parties.

## 3. DEFINITIONS

**"Audit Committee or Committee"** means "Audit Committee" constituted by the Board of Directors of the Company under provisions of SEBI LODR and Companies Act, 2013, from time to time.

**"Associate company",** in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company and as definition amended from time to time.

**"Board of Directors"** or **"Board" or "Directors"** means the Board of Directors of Gallantt Metal Limited, as constituted from time to time.

**"Company"** means **Gallantt Metal Limited**

**"Control"** shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.

**"Key Managerial Personnel" or "Key Management Personnel"** : "Key Managerial Personnel", means— (*i*) the Chief Executive Officer or the Managing Director or the manager; (*ii*) the Company Secretary;

*(iii)* the Whole-Time Director;
*(iv)* the Chief Financial Officer; and
*(v)* such other officer as may be prescribed under the Companies Act, 2013 and Rules thereunder.

**"Material Related Party Transaction(s)**": A transaction with a related party shall be considered to be material if the transaction(s) to be entered into individually or taken together with previous transaction(s) during a financial year exceeds the higher of:

(a) ten percent of the consolidated annual turnover of the Company; or

(b) twenty percent of the net worth of the company as per the last audited financial statements of the company.

**"Policy"** means Policy on Related Party Transactions.

**"Related Party(ies)"** means a person or entity that is related to the Company. Parties are related if one party has the ability to control the other party or exercise significant influence over the other party directly or in directly in making the financial and/or operating decisions and includes:

i. a Director or his Relative;

ii. a Key Managerial Personnel or his Relative;

iii. a Firm, in which a Director, Manager or his relative is a partner;

iv. a Private Company in which a Director or Manager is a Member or Director;

v. a Public Company in which a Director or Manager is a Director or holds along with his relatives, more than two per cent of its paid-up share capital;

vi. any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;

vii. any person on whose advice, directions or instructions a director or manager is accustomed to act;

viii. any person or entity belonging to the promoter or promoter group of the listed entity and holding 20% or more of shareholding in the listed entity shall be deemed to be a related party

*Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;*

ix. any company which is—
    a) a holding, subsidiary or an associate company of the Company; or
    b) a subsidiary of a holding company to which the Company is also a subsidiary;

Such other persons as may be prescribed under the Companies Act, 2013 or as defined under the applicable accounting standards.

"**Related Party Transaction**", means transfer of resources, services or obligations between the Company and a Related Party, regardless of whether price is charged and a transaction with a related party shall be construed to include a single transaction or a group of transactions in a contract, as defined under Regulation 2 (1) (zc) of the SEBI LODR and/or transactions as defined under section 188 of the Companies Act, 2013.

**"Relative''**, with reference to any person, means anyone who is related to another, if— i. they are members of a Hindu Undivided Family;

ii. they are husband and wife; or

iii. one person is related to the other in such manner as may be prescribed, which is as follows:

(a) Father (including step-father)

(b) Mother ( including step-mother)

(c) Son ( including step-son)

(d) Son's wife

(e) Daughter

(f) Daughter's husband

(g) Brother ( including step-brother)

(h) Sister (including step-sister)

**"Senior Management Personnel"**, for the purpose of this Policy means the CMD/Chief Executive Officer of the Company and his/her direct reportees and members as defined pursuant to Section 178 of the Companies Act 2013 and Regulation 16 of SEBI Listing Obligation and Disclosure Requirement (LODR) Regulations 2013 including amendments thereof.

**"Significant Influence"** is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies. Significant influence may be gained by share ownership, statute or agreement.

**4. Identification of Potential Related Party Transactions**

Each Director /Key Managerial Personnel/ Senior Management Personnel is responsible for providing notice to the Company Secretary of any potential Related Party Transaction involving him/her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may request, for being placed before the Audit Committee and/or the Board.

The Board shall record the disclosure of interest and the Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this Policy.

The Company has to receive such notice of any potential Related Party Transaction well in advance to place it before the Audit Committee, so that the Audit Committee has adequate time to obtain and review information about the proposed transaction.

Where, owing to business exigencies, Related Party transactions that are in the ordinary course of business and/or on arm's length basis, have been entered into without prior approval by the Audit Committee, the details of such transactions shall be put up for ratification/approval of the Audit Committee at the first Audit Committee Meeting scheduled after entering into such transactions. The Audit Committee may ratify such transactions or cancel the said transactions at their discretion.

**4.1. Review of Related Party Transactions**

Any member of the Committee who has a potential interest in any Related Party Transaction will abstain from discussion and voting on the approval of the Related Party Transaction.

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction specifically mentioned in **Annexure 1**, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters.

**4.2. Considerations for Approval of Related Party Transactions**

In determining whether to approve a Related Party Transaction, the Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

i. Whether the terms of the Related Party Transaction are fair and on arm's length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;

ii. Whether there are any undue compelling business reasons or exigency for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;

iii. Whether the Related Party Transaction would affect the independence of the directors/KMP;

iv. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;

v. Where the ratification of the Related Party Transaction is allowed by law and is sought from the Committee, the reason for not obtaining the prior approval of the Committee and the relevance of business urgency and whether subsequent ratification would be detrimental to the Company; and

vi. Compare existing contracts/agreements (if any) and its terms with one or more identical or similar transactions and compare the market terms known for such similar transactions.

vii. Whether the Related Party Transaction would present an improper conflict of interest for any Director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the Director, or other Related Party, the direct or indirect nature of the Director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board/Committee deems relevant.

If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction at a meeting and the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

If a Related Party Transaction will be ongoing, the Audit Committee may establish guidelines for the management to follow in its ongoing dealings with the Related Party. Thereafter, the Committee shall periodically review and assess ongoing relationships with the Related Party. Any material amendment, renewal or extension of a transaction, arrangement or relationship previously reviewed under this Policy shall also be subject to subsequent review under this Policy.

**Overall framework of Approval for Related Party Transactions Level 1 - Audit committee Approval**

All Related Party Transactions shall be referred to the Audit Committee for prior approval.

**Level 2 - Board Approval**

All Related Party Transactions as approved by the Audit Committee may be noted by the Board and the Related Party Transaction that are not in ordinary course of business and/or not on arm's length basis are mandatorily required to be approved by the Board at a duly constituted meeting.

**Level 3 – Shareholder's Approval**

**i) Material Related Party Transaction:**

Every Material Related Party Transactions shall require approval of the shareholders and the Related Parties shall not vote to approve the relevant transaction

However, the Material Related Party Transactions entered between the Company and its wholly owned subsidiaries, whose accounts are consolidated with the Company and placed before the general meeting for approval of shareholders, shall not require prior approval of shareholders as stipulated under Regulation 23(5) of SEBI LODR and Section 188 of the Companies Act 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014.

A transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed two percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

**ii) Transactions other than Material Related Party Transactions:**

All transactions, other than the Material Related Party Transactions, which are not in the ordinary course of business and/or not at Arms' Length Basis except Related Party Transactions entered between the Company and its wholly owned subsidiaries, whose accounts are consolidated with the company and placed before the shareholders at the general meeting for approval of shareholders shall require the prior approval of the shareholders on exceeding the following limits and the Related Parties shall not vote to approve the relevant transaction.

(i) Sale, purchase or supply of any goods or material, directly or through appointment of agent, amounting to ten percent or more of the turnover of the Company or rupees one hundred crore, whichever is lower;

(ii) Selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, amounting to ten percent or more of the net worth of the Company or rupees one hundred crore, whichever is lower;

(iii) Leasing of property of any kind amounting to ten percent of the net worth of the Company or ten per cent or more of the turnover of the Company or rupees one hundred crore, whichever is lower,

(iv) Availing or rendering of any services, directly or through appointment of agent, amounting to ten percent or more of the turnover of the Company or rupees fifty crore, whichever is lower.

(v) Appointment of Related Party to any office or place of profit in the Company, its subsidiary Company or associate company at a monthly remuneration exceeding two and a half lakh rupees.

(vi) Remuneration for underwriting the subscription of any securities or derivatives thereof, exceeding one percent of the net worth of the Company.

**4.3. Standing Pre-Approval / Omnibus approval by Audit Committee**

In the case of frequent / regular / repetitive transactions which are in the normal/Ordinary course of business of the Company, the Audit Committee may grant standing pre-approval / omnibus approval. While granting such approval, the Audit Committee shall satisfy itself of the need for the omnibus approval and that same is in the interest of the Company and/or the Related Party Transactions that are repetitive in nature. The omnibus approval shall specify the following:

a. Name of the Related Party
b. Nature of the transaction
c. Period of the transaction
d. Maximum amount of the transactions that can be entered into
e. Indicative base price / current contracted price and formula for variation in price, if any
f. Such other conditions as the Audit Committee may deem fit.

Such transactions will be deemed to be pre-approved and may not require any further approval of the Audit Committee for each specific transaction unless the price, value or material terms of the contract or arrangement have been varied / amended. Any proposed variations / amendments to these factors shall require a prior approval of the Committee.

Further, where the need of the Related Party Transaction cannot be foreseen and all prescribed details are not available, Committee may grant omnibus approval subject to the value per transaction not exceeding Rs.1,00,00,000/- (Rupees One Crore only). The details of such transaction shall be reported at the next meeting of the Audit Committee for ratification. The Committee shall on an annual basis review and assess such transactions including the limits to ensure that they are in compliance with this Policy. The omnibus approval shall be valid for a period of one year and fresh approval shall be obtained after the expiry of one year.

**5. EXCEPTIONS**

Notwithstanding the foregoing, the following Related Party Transactions shall not require specific approval of the Audit Committee:

(a) Any transactions entered into between the company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval

(b) Any transaction involving the providing of compensation to a Director or Key Managerial Personnel in connection with his duties to the Company including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business, and in line with the terms of Appointment

(c) Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

**6. DEVIATIONS**

In the event the Company becomes aware of a Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Committee. The Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy and failure of the internal control systems, and shall take any such action it deems appropriate.

In any case, where the Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, discontinuation of the transaction or seeking the approval of the shareholders, payment of compensation for the loss suffered by the related party etc. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

**7. DISCLOSURE**

The Company shall disclose the Policy on dealing with Related Party Transactions on its website and provide web link in the Annual Report. In addition to the disclosures required under Accounting Standards, Related Party Transactions that are not at arm's length basis and Material Related Party Transactions that are at arm's length or such other transactions as may be statutorily required, shall be disclosed in the Annual Report of the Company.

The listed entity shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.

## 8. AMENDMENTS AND UPDATIONS

The Audit Committee periodically shall review this Policy and may recommend amendments to this Policy from time to time as it deems appropriate. In addition to guidelines for ongoing Related Party Transactions, the Audit Committee may, as it deems appropriate and reasonable, establish from time to time guidelines regarding the review of other Related Party Transactions. The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy. The policy shall be reviewed by the board of directors at least once every three years and updated accordingly.

## 9. INTERPRETATION

Any words used in this Policy but not defined herein shall have the same meaning ascribed to it in the Companies Act, 2013 or Rules made thereunder, SEBI Act or Rules and Regulations made thereunder, SEBI LODR, Accounting Standards or any other relevant legislation / law applicable to the Company.

This Policy is framed based on the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 188 of Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014. In case of any subsequent changes in the provisions of the aforementioned statutes, the statutes would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law. Any subsequent amendment/modification in SEBI LODR, Act and/or applicable laws in this regard shall automatically apply to this Policy. This Policy shall be reviewed by the Audit Committee periodically and/or if any changes are to be incorporated in the Policy due to change in regulations as may be deemed appropriate by the Audit Committee.

The policy shall also be uploaded on the website of the Company at **www.gallantt.com.**

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**ANNEXURE 1**

**INFORMATION TO BE PROVIDED TO THE AUDIT COMMITTEE / BOARD IN RELATION TO THE PROPOSED RELATED PARTY TRANSACTION (TO THE EXTENT RELEVANT TO THE TRANSACTION):**

1. Name of the Related Party and nature of relationship;
2. Nature and duration of the contract/transaction and particulars thereof;
3. Material terms of the contract or arrangement or transaction including the value, if any;
4. In case of existing or approved contracts, transactions, details of proposed variations to the duration, current price / value and / or material terms of the contract or arrangement including a justification to the proposed variations;
5. Any advance paid / received or to be paid / received for the contract or arrangement, if any;
6. Manner of determining the pricing and other commercial terms, whether or not included as part of contract;
7. whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors;
8. Copy of the draft MOU, agreement, contract, purchase order or correspondence etc. if any.
9. Applicable statutory provisions, if any;
10. Valuation reports in case of sale or purchase or leasing / renting of capital assets or securities;
11. Justification as to the arm's length nature of the proposed transaction;
12. Declaration whether the transaction is in the ordinary course of business;
13. Persons / authority approving the transaction; and
14. Any other information relevant or important for the Committee / Board to take a decision on the proposed transaction.

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# GALLANTT METAL LIMITED

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

### *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' / financers' 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' / financers' 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 interalia state particulars of the complainee 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 complainee 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 complainee 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 meting 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 complainee 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;

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

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;

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

Request you to take the aforementioned on your records.

Thanking you,

Yours faithfully,
For **Gallantt Metal Limited**

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

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## CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

✓ **Introduction:**

The matters covered in this Code are of the utmost importance to the Company, its Shareholders and Stakeholders and are essential so that it can conduct business in accordance with legal and ethical values to which the Company is strongly committed. A code of conduct for the Board of Directors of the Company and its Senior Management enables the Company to publicly state to its external Stakeholders (suppliers, customers, consumers and shareholders), the way in which they intend to do business.

✓ **Applicability of the Code:**

This Code of Conduct ("the Code") applies to Directors and Senior Management Personnel of Gallantt Metal Limited.

**"Senior Management" shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.**

✓ **Code of Conduct:**

The Board of Directors and Senior Management of the Company should:

- Demonstrate the highest standards of integrity, business ethics, and corporate governance.

- Perform their roles with competence, diligence, in good faith and in the best interests of the Company.

- Provide expertise / experience in their areas of specialization and share learnings at Board Meetings with best interests of the Company and its Stakeholders in mind. They should guide the Company's Management in the 'right' direction based on their experience and judgement.

- Give careful and independent consideration to the affairs of the Company and all documents placed before them to satisfy themselves with the soundness of key decisions taken by the Management. They should call for additional information, where necessary, for making such judgements.

- Not engage in any business, relationship or any activity which detrimentally conflicts with the interest of the Company or bring discredit to it. Any situation that creates a conflict of interest between personal interests and the Company and it's Stakeholders' interests must be avoided at all costs.

- Follow all the guidelines put forth in the Code of Conduct for Prevention of Insider Trading.

- Not disclose any confidential / privileged information of the Company and should direct any media queries or approaches to the appropriate spokesperson within the Company.

✓ **Duties of Independent Directors:**

The Independent Directors shall:

(1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;

(2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;

(3) strive to attend all Meetings of the Board of Directors and of the Board Committees of which he / she is a member;

(4) participate constructively and actively in the Committees of the Board in which they are Chairpersons or Members;

(5) strive to attend the General Meetings of the Company;

(6) where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board Meeting;

(7) keep themselves well informed about the Company and the external environment in which it operates;

(8) not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;

(9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;

(10) ascertain and ensure that the Company has an adequate and functional Vigil Mechanism / Whistle Blower Policy and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

(11) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;

(12) acting within his/her authority, assist in protecting the legitimate interests of the Company, Shareholders and its Employees;

(13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

✓ **Annual Affirmation with compliance of this Code of Conduct:**

All Members of the Board of Directors and Senior Management Personnel shall affirm compliance with this Code of Conduct of Board of Directors and Senior Management on an annual basis.

✓ This Policy is effective from 1st April, 2019.

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**WHISTLE BLOWER POLICY**

This "**Whistle Blower Policy**" of Gallantt Metal Limited has been established / adopted / approved by the Audit Committee of the Board of Directors of Gallantt Metal Limited, in terms of the provisions of Section 177 of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of the Board & its Powers) Rules, 2014 **read with Regulation 22 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time, which requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for its Directors and Employees, to report genuine concerns, and to freely communicate their concerns about illegal or unethical practices. The Vigil Mechanism shall provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.**

The purpose of Whistle Blower Policy is to allow the Directors and employees to raise concerns about unacceptable improper practices and/or any unethical practices and/or other genuine concerns being followed in the organization without the employees being necessarily required to inform their superiors **and to create awareness amongst employees to report instances of leak of unpublished price sensitive information.**

This Policy is intended to check that whenever any unacceptable/improper practice and/or any unethical practice and/or any **instances of leak of unpublished price sensitive information and/ or any** other genuine concern is reported by a Director or an employee, proper action is taken to check such practice/wrongdoing and the concerned Director or employee is protected / safeguarded against any adverse action and/or any discrimination and/or victimization for such reporting.

All the Directors and employees shall be protected / safeguarded from any adverse action for reporting any unacceptable/ improper practice and/or any unethical practice or frauds or violation of any law, rule or regulation and/or any other genuine concern, so long as the Director employee **:-**

1. Reports in good faith his/her belief that there is waste of the company's funds;
2. Reports in good faith the violation or suspected violation of a law, rule or regulation;
3. Participates in or gives information in an investigation, hearing, court proceeding, legislative or other inquiry, or other administrative review;
4. Objects or refuses to carry out a directive that the Director or employee believes in good faith may violate a law, rule or regulation.

The Company is forbidden from taking any adverse action against a Director or an employee for exercising the rights as listed above. Examples of adverse action are given below**:-**

1. Removal of a Director ;
2. Discharging the employee ;
3. Threatening the Director or employee ;
4. Discriminating against the Director's directorship or employee's employment.

Any Director who has a genuine complaint or concern about any fraud or violation of any law, rule or regulation or unacceptable/improper practice and/or any unethical practice may complain about this to the designated person to attend to whistle-blowers as mentioned hereinbelow or to the Audit Committee or its Chairperson.

Any employee who has a genuine complaint or concern about any fraud or violation of any law, rule or regulation or unacceptable/improper practice and/or any unethical practice may complain about this to his superior or to the designated person to attend to whistle-blowers as mentioned hereinbelow or to the Audit Committee or its Chairperson.

Mr. Tarun Kumar Rathi, has been appointed as the "Vigilance Officer", who can be contacted in writing at the Registered Office of the Company or on telephone at +91-33 40642189 or such other telephone numbers as may be available in the website of the Company or on email at csgml@gallantt.com.

He shall be responsible for the following functions:

1. To receive and record any complaints under this policy.

2. To ensure confidentiality of any "Whistle Blowing" complainant who requests that his/her complaint be treated in confidence.

3. To prepare a report of any whistle blowing complaint and send the report promptly to the Audit Committee Members. A copy of the report shall be simultaneously sent to the Managing Director and/or Executive Director for investigation. The Managing Director / Executive Director, after investigation, shall place a report to the Audit Committee for discussion and decision. The Audit Committee Members shall then discuss the same and take necessary action.

4. The Vigilance Officer shall communicate the Audit Committee's decision to the complainant for his/her information.

Employees / Directors are also free to communicate their complaints directly to the Audit Committee Members or Chairperson thereof without involving the Vigilance Officer. They can communicate their complaints to the following Audit Committee Members.

[The names of the Audit Committee Members shall undergo change based on change in the composition of the Audit Committee].

**Effective Date**

This Policy is effective from 1st April, 2019.

# GALLANTT METAL LIMITED

Registered Office: 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069.
Email: csgml@gallantt.com; Website:www.gallantt.com
Telfax : 033-40642189

## RISK MANAGEMENT POLICY

**Gallantt Metal Limited** ("the Company") considers ongoing risk management to be a core component of the Management of the Company, and understands that the Company's ability to identify and address risk is central to achieving its corporate objectives.

The Company's Risk Management Policy ("the Policy") outlines the program implemented by the Company to ensure appropriate risk management within its systems and culture.

The Policy is formulated in compliance with Regulation 17(9)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and provisions of the Companies Act, 2013 ("the Act"), which requires the Company to lay down procedures about risk assessment and risk minimization.

i) The Board of Directors of the Company shall form a Risk Management Committee (hereinafter referred to as "Committee") **[only if Company is amongst the top 500 listed entities]** who shall periodically review this Policy of the Company so that the Management controls the risk through properly defined network. The Board of Directors may re-constitute the composition of the Committee, as it may deem fit, from time to time.

ii) Head of Departments shall be responsible for implementation of the Risk Management System as may be applicable to their respective areas of functioning and report to the Board and the Committee from time to time.

***Risk Management Program***

The Company's risk management program comprises of a series of processes, structures and guidelines which assist the Company to identify, assess, monitor and manage its business risk, including any material changes to its risk profile.

To achieve this, the Company has clearly defined the responsibility and authority of the Company's Board of Directors and of the Committee, to oversee and manage the risk management program, while conferring responsibility and authority on the Company's senior management to develop and maintain the risk management program in light of the day-to-day needs of the Company. Regular communication and review of risk management practice provides the Company with important checks and balances to ensure the efficacy of its risk management program.

The key elements of the Company's risk management program are set out below.

***Risk Identification***

In order to identity and assess material business risks, the Company defines risks and prepares risk profiles in light of its business plans and strategies. This involves providing an overview of each material risk, making an assessment of the risk level and preparing action plans to address and manage the risk.

The Company presently focuses on the following types of material risks:

- technological risks;
- strategic business risks;
- operational risks;
- quality risk;
- competition risk;
- foreign exchange risk;
- realization risk;
- cost risk;
- financial risks;
- human resource risks; and
- legal / regulatory risk.

***Oversight and management Board of Director***

The Board of Directors ("the Board") is responsible for reviewing and ratifying the risk management structure, processes and guidelines which are developed and maintained by Committee and Senior Management. The Committee or Management may also refer particular issues to the Board for final consideration and direction.

***Risk Management Committee***

The day to day oversight and management of the Company's risk management program has been conferred upon the Committee. The Committee is responsible for ensuring that the Company maintains effective risk management and internal control systems and processes, and provides regular reports to the Board on the effectiveness of the risk management program in identifying and addressing material business risks. To achieve this, the Committee is responsible for:

-managing and monitoring the implementation of action plans developed to address material business risks within the Company and its business units, and regularly reviewing the progress of action plans;

-setting up internal processes and systems to control the implementation of action plans;

-regularly monitoring and evaluating the performance of management in managing risk;

-providing management and employees with the necessary tools and resources to identify and manage risks;

-regularly reviewing and updating the current list of material business risks;

-regularly reporting to the Board on the status of material business risks; and

-ensuring compliance with regulatory requirements and best practices with respect to risk management;

- **monitoring and reviewing cyber security risks.**

***Senior Management***

The Company's Senior Management is responsible for designing and implementing risk management and internal control systems which identify material risks for the Company and aim to provide the Company with warnings of risks before they escalate. Senior Management must implement the action plans developed to address material business risks across the Company and individual business units.

Senior Management should regularly monitor and evaluate the effectiveness of the action plans and the performance of employees in implementing the action plans, as appropriate. In addition, Senior Management should promote and monitor the culture of risk management within the Company and compliance with the internal risk control systems and processes by employees. Senior Management should report regularly to the Board regarding the status and effectiveness of the risk management program.

***Employees***

All employees are responsible for implementing, managing and monitoring action plans with respect to material business risks, as appropriate.

***Review of risk management program***

The Company regularly evaluates the effectiveness of its risk management program to ensure that its internal control systems and processes are monitored and updated on an ongoing basis. The division of responsibility between the Board, the Committee and the Senior Management aims to ensure the specific responsibilities for risk management are clearly communicated and understood. The reporting obligation of Senior Management and Committee ensures that the Board is regularly informed of material risk management issues and actions. This is supplemented by the evaluation of the performance of risk management program, the Committee, the Senior Management and employees responsible for its implementation.

***Risk Management System***

The Company has always had a system-based approach to business risk management. Backed by strong internal control systems, the current risk management framework consist of the following elements:

-Risk Management system is aimed at ensuring formulation of appropriate risk management policies and procedures, their effective implementation and independent monitoring and reporting by Internal Audit.

-A combination of centrally issued policies and divisionally-evolved procedures brings robustness to the process of ensuring business risks are effectively addressed.

-Appropriate structures have been put in place to effectively address inherent risks in businesses with unique / relatively high risk profiles.

- **Ensuring proper procedures and mechanism exists for monitoring and reviewing cyber security risks.**

A strong and independent Internal Audit Function at the corporate level carries out risk focused audits across all businesses, enabling identification of areas where risk managements processes may need to be improved. The Board reviews internal Audit findings, and provides strategic guidance on internal controls. Monitors the internal control environment within the Company and ensures that Internal Audit recommendations are effectively implemented.

The combination of policies and processes as outlined above adequately addresses the various risks associated with our Company's businesses. The Senior Management of the Company periodically reviews the risk management framework to maintain its contemporariness so as to effectively address the emerging challenges in a dynamic business environment.

**Amendment:**

**This policy will be reviewed by the Board of Directors of the Company or by its Committee (as may be authorized by the Board of Directors in this regard) as they deem necessary. Any change in the Policy shall be approved by the Board of Directors of the Company or its Committee. The Board of Directors or its Committee (as may be authorized by the Board of Directors in this regard) shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board of Directors in this respect shall be final and binding. Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.**

**Effective Date**

This Policy is effective from 1st April, 2019.

**Communication of this Policy:**

This Policy shall be posted on the website of the Company www.gallantt.com

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# GALLANTT METAL LIMITED

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

Pursuant to Section 178 of the Companies Act, 2013 and the Rules framed thereunder (as amended from time to time) (the "**Act**") and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) (the "**SEBI Listing Regulations**"), the Board of Directors of every listed company is required to constitute the Nomination and Remuneration Committee.

## *I. Objective*

In order to comply with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations and any other applicable provisions, the Nomination and Remuneration Committee of the Board of Directors of the Company (the "**Committee**") had formulated this policy (the "**Policy**").

The key objectives of the Policy are as follows:

*a.* To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board of Directors of the Company (the "**Board**"), policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

*b.* To formulate criteria for evaluation of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

*c.* To provide to Key Managerial Personnel and Senior Management reward linked directly to their

effort, performance, dedication and achievement relating to the Company's operations.

*d.* To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

*e.* To devise a Policy on Board Diversity.

*f.* To develop a succession plan for the Board and to regularly review the plan.

*g.* To determine whether to extend or continue the term of appointment of the Independent Director(s), on the basis of the report of performance evaluation of Independent Directors.

## *II. Definitions*

*a.* **"Act"** means the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time.

*b.* **"Board"** means the Board of Directors of the Company.

*c.* **"Directors"** shall mean Directors of the Company.

*d.* **"Key Managerial Personnel"** or "**KMP**" means:

in relation to a Company as defined sub-section 51 of Section 2 of the Companies Act, 2013, means and includes:

**(i) the Chief Executive Officer or the managing director or the manager;**

**(ii) the company secretary;**

**(iii) the whole-time director;**

**(iv) the Chief Financial Officer;**

**(v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and**

**(vi) such other officer as may be prescribed**

*e.* **"Senior Management" shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and**

**shall specifically include Company Secretary and Chief Financial Officer.**

*f.* "**Independent Director**" means a director referred to in Section 149(6) of the Act.

***III.*** ***Appointment and removal of Directors, KMPs and Senior Management***

*a.* ***Appointment criteria and qualifications:***

i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management and recommend to the Board his / her appointment.

ii. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has the discretion to decide whether qualifications, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

iii. The Company shall not recommend or appoint or continue the employment of any person as the Managing Director, Whole-time director or Manager within the meaning of the Act, who has attained the age of 75 (seventy five) years. Provided that the appointment of such a person who has attained the age of 75 (seventy five) years shall be made with the approval of the Shareholders by passing a special resolution, based on the explanatory statement annexed to the notice for the Meeting of the Shareholders for such motion indicating the justification for appointment or extension of appointment beyond the age of 75 (seventy five) years.

*b.* ***Term / Tenure:***

i. *Managing Director/Whole-time Director:*

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding 5 (five) years at a time. No re- appointment shall be made earlier than 1 (one) year before the expiry of term.

*c.* ***Independent Director:***

i. An Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

ii. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of 3 (three) years of ceasing to become an Independent Director. Provided that an Independent Director shall

not, during the said period of 3 (three) years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

iii. At the time of appointment of Independent Director(s) it should be ensured that number of Boards on which such Independent Director serves is restricted to 7 (seven) listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act or the SEBI Listing Regulations.

*d.* ***Evaluation:***

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular intervals (yearly).

**The evaluation of performance of the Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.**

**The evaluation of independent directors shall be done by the entire board of directors which shall include –**

**(a) performance of the directors; and**

**(b) fulfillment of the independence criteria as specified in these regulations and their Independence from the management:**

**Provided that in the above evaluation, the directors who are subject to evaluation shall not participate.**

*e.* ***Removal:***

Due to reasons for any disqualification mentioned in the Act or under any other applicable law, rules and regulations, thereunder, the Committee may recommend, to the Board with reasons to be recorded in writing, removal of a Director, KMP or Senior Management, subject to the provisions and compliance of the said Act, such other applicable law, rules and regulations.

*f.* ***Retirement:***

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

*g.* ***Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management:***

i. The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, wherever required.

ii. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down as per the provisions of the Act.

iii. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director or as laid down as per the provisions of the Act.

*h.* ***Remuneration to Whole-time/Executive/Managing Director, KMP and Senior Management:***

*i.* Fixed Pay

ii. The Whole-time / Executive / Managing Director / KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including but not limited to, employer's contribution to Provident Fund (P.F.), Superannuation Fund, Pension Scheme, medical expenses, club fees, leave travel allowance, etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.

*iii.* *Minimum Remuneration:*

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time / Executive / Managing Director in accordance with the provisions of Section 197 of the Act and Schedule V to the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

iv. Provisions for excessremuneration:

If any Whole-time / Executive / Managing Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

i. ***Remuneration to Non- Executive / Independent Director:***

1) **Remuneration /Commission:**
The remuneration / commission shall be in accordance with the statutory provisions of the Act and the Rules made thereunder for the time being in force.

2) **Sitting Fees:**
The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3) **Limit of Remuneration/Commission:**
Remuneration/Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

4) **Stock Options:**
An Independent Director shall not be entitled to any stock option of the Company.

***IV. Membership:***

a) The Committee shall comprise of at least (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent Directors.

b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Act and the SEBI Listing Regulations.

**c) The quorum for the Meeting of the Nomination and Remuneration Committee shall either be two members or one third of the total strength of the Committee, whichever is higher (including at least one independent director in attendance).**

d) Membership of the Committee shall be disclosed in the Annual Report.

e) Term of the Committee shall be continued unless terminated by the Board of Directors.

***V. Chairperson***

a) Chairperson of the Committee shall be an Independent Director.
b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

c) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
d) Chairman of the Nomination and Remuneration Committee meeting could be present at the annual general meeting or may nominate some other member to answer the shareholders' queries.

***VI. Frequency of Meetings:***

**The Nomination and Remuneration Committee shall meet at least once a year.**

***VII. Committee members' interests:***

a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

***VIII. Secretary:***

The Company Secretary of the Company shall act as Secretary of the Committee.

***IX. Duties of the Nomination & Remuneration Committee***

Duties with respect to Nomination:

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Independent Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board; and
- Considering any other matters, as may be requested by the Board.

Duties with respect to Remuneration:

The duties of the Committee in relation to remuneration matters include:

- to consider and determine the remuneration policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company.
- to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- to consider any other matters as may be requested by the Board.

## *X. Minutes of committee meeting*

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

## *XI. Deviations from this Policy*

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

## *XII.* Amendment:

**Any change in the Policy shall be approved by the Board of Directors or any of its Committees (as may be authorized by the Board of Directors in this regard). The Board of Directors or any of its authorized Committees shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board or its Committee in this respect shall be final and binding. Any subsequent amendment / modification in the Listing Regulations and / or any other laws in this regard shall automatically apply to this Policy.**

## *XIII.* Effective Date:

This Policy is effective from 1st April, 2019.

# POLICY FOR EVALUATION OF THE PERFORMANCE OF THE BOARD OF DIRECTORS OF GALLANTT METAL LIMITED

## 1) INTRODUCTION

Gallantt Metal Limited (hereinafter referred to as the "**Company**") believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior/manner, in consonance with the Company's Code of Conduct for its employees and also for the Board of Directors (the "**Board**"). The honesty, integrity and sound judgement and performance of the Directors and the Senior Management are key criteria for the success and for building a good reputation of the Company. Each Director and executive in the Senior Management is expected to comply in the letter and spirit of this Policy. Apart from this Code, the Code of Conduct for Directors/Employees shall also be applicable, additionally and specifically to the Senior Management of the Company *mutatis mutandis*. Any actual or potential violation of these Codes by the Directors would be the matter of serious concern for the Company.

Therefore, the Company has formulated this Policy to comply with various provisions under the Act and the Listing Regulations and also the formal annual evaluation made by the Board of its own performance (self-appraisals) and that of its Committees and individual Directors as mentioned under the clause (p) of sub-section (3) of Section 134 of the Act. The Committee shall evaluate the performance of the each Director as per sub-section (2) of Section 178 and based on the functions of the Independent Directors as indicated under Schedule IV (as per Section 149) to the Act and the Rules made thereunder.

## 2) DEFINITIONS

a) "the Act": means The Companies Act, 2013 and the rules made thereunder;
b) "the Company": The Company means Gallantt Metal Limited.
c) "the Director" or "the Board": The Director or the Board, in relation to the Company, shall mean and deemed to include the collective body of the Board of Directors of the Company including the Chairman of the Company.
d) "the Independent Director": The Independent Director shall mean an Independent Director as defined under Section 2 (47) to be read with Section 149 (6) of the Act.
e) "the Policy" or "this Policy": The policy or This Policy shall mean the Policy for Evaluation of performance of Board of Directors of the Company.
f) "the Committee" or "this Committee": The Committee or This Committee shall mean the Nomination and Remuneration Committee of the Board of Directors formed under the provisions of Section 178 of Act.

## 3) OBJECTIVE

The Object of this policy is to formulate the procedures and also to prescribe and lay down the criteria to evaluate the performance of the entire Board of the Company.

## 4) VARIOUS KINDS OF PERFORMANCE EVALUATION

### A. APPRAISAL SYSTEM:

Appraisal of each Director of the Company shall be based on the criteria as mentioned herein below. This appraisal is mandatory and will be done under the provision of the clause (p) of sub-section (3) of Section 134 of the Act.

The Committee has laid down the criteria for evaluation of performance of executive Directors, Independent Directors, Chairman and the Board:-

1. Attendance and contribution at Board and Committee meetings

2. His/her stature, appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.

3. His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance.

4. His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.

5. Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.

6. Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and probity.

7. Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board.

8. His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.

9. Quality of decision making on source of raw material/procurement of roughs, export marketing, understanding financial statements and business performance, raising of finance, best source of finance,

working capital requirement, forex dealings, geopolitics, human resources etc.

10. His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.

11. His/her contribution to enhance overall brand image of the Company.

**CRITERIA FOR**

**EVALUATION - BOARD**

**EVALUATION**

| **Structure** |
|---|
| The board has the right composition which brings in diversity, experience, specialized skills and expertise for effective functioning of the board. |
| The board members have a clear and shared understanding of their roles and responsibilities. |
| **Strategic Orientation** |
| The board has a good understanding of the key performance drivers of the business. |
| The financial and non-financial value drivers in place to focus on the enhancement of stakeholder value. |
| The board has visibility on key talent and succession plans in the business. |
| The board is satisfied with the effectiveness of the risk management architecture to anticipate, measure and mitigate them. |
| The board focuses on the right issues and priorities. |
| **Board Functioning and Team Dynamics** |
| The board meetings conducted in a manner which facilitates open discussions and robust debate. |
| The board members trust and value each other's' experience and expertise to enable healthy discussion. |
| The board is able to discuss the agenda and other issues with senior management in sufficient depth. |
| The board receives adequate information to enable discussions/decision making during board meetings. |
| As compared to the other boards I serve , I find serving on this board a satisfying experience. |
| The board is independent in its functioning. |
| Overall effectiveness of the board. |

**COMMITTEE EVALUATION**

| For Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Risk Management Committee (Not formed presently) and any other Committee |
|---|

| |
|---|
| The objectives of the committee well defined and understood |
| The committee is delivering on the defined objectives |
| The committee has the right composition to deliver its objectives |
| Any other comments |

**INDIVIDUAL EVALUATION**

| Parameters |
|---|
| **Leading Self** |
| Understands the organization and the sector(s) in which the business operates. |
| Understands key performance drivers of the business. |
| Provides value added perspectives to the board. |
| Attends and actively contributes to all board debates and discussions. |
| **Leading Others** |
| Collaborates and encourages healthy discussion among board members. |
| Gives authentic and clear feedback in board discussions. |
| **Leading Business** |
| Leverages expertise and networks to meaningfully contribute to board discussions. |
| Ability to protect and leverage the interest of the business group across all decisions and recommendations |
| **Possess sufficient skills, expertise and level of preparedness which allows the person to clearly add value to discussions and decisions.** |
| **Is able to change views of others in a constructive manner.** |
| **Evaluation of Independent Directors** |
| **Is able to discharge his/her duties with an objective independent judgement and without an external influence (only for Independent Directors).** |
| **Overall effectiveness as a board member.** |

**EVALUATION OF CHAIRPERSON**

| Parameters |
|---|
| The Chairperson's leadership style is appropriate.<br>(e.g.: decisive, open minded, facilitates deliberation, deals effectively with dissent and works constructively towards consensus) |
| While setting the agenda for the board meetings, the Chairperson encourages and seeks the views and suggestions of the independent directors. |
| The Chairperson reaches out to all members to seek their contribution on substantive issues. |
| The Chairperson allocates a fair amount of time to all board members to express their points of view. |
| Any additional comments. |

**B. EVALUATION OF THE PERFORMANCE**

The Committee shall evaluate the performance of each Director of the Company under the Nomination and Remuneration Policy of the Company framed in accordance with the provisions of Section 178 of the Companies Act, 2013 and based on their functions as mentioned in the Code of Conduct of the Directors and the criteria for the evaluation of the performance as prescribed in the clause 6 of this policy.

Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the executive directors of the Company except the Independent Director getting evaluated.

Based on the performance evaluation of each and every Director and the Chairman of the Company, the Committee shall provide the ratings based on each criteria and sub-criteria. The detail process of evaluation and ratings thereon are mentioned in the clause 6 and 7 of this policy respectively.

**C. EFFECTIVENESS OF THE BOARD**

Based on the ratings given by the Committee to each Director, the overall effectiveness of the Board shall be measured and accordingly the Board shall decide the Appointments, Re-appointments and Removal of the non-performing Directors of the Company.

**5) SEPARATE MEETING FOR EVALUATION OF PERFORMANCE OF BOARD MEMBERS**

Evaluation of the executive Directors of the Company shall be carried out by entire Board except the executive Director being evaluated. The meeting for the purpose of evaluation of performance of Board Members shall be

held at least once in a year and the Company shall disclose the criteria laid down by the Committee for performance evaluation on its web site for the reference and also in the annual report of the Company.

**6) PROCEDURE TO RATE THE PERFORMANCE**

Based on evaluation criteria, the Committee and the Board shall rate the performance of the each and every Director. The performance rating shall be given within minimum 1 and maximum 10 categories, the rating 1 being least effective and 10 being most effective. Based on the rating of performance the Board can decide the strategy to extend or continue the term of appointment or to introduce new candidate as a member of the Board or Retirement of the member based on his/her performance rating as to create and maintain the most effective and powerful top level management of the Company for its future growth, expansion, diversification and also to maximize the returns on investments to the stakeholders of the company.

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# GALLANTT METAL LIMITED

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Email: csgml@gallantt.com; Website:www.gallantt.com
Telfax : 033-40642189

## POLICY FOR DETERMINING "MATERIAL" SUBSIDIARIES

***Legal Framework***

The Board of Directors (the "**Board**") of Gallantt Metal Limited (the "**Company**") has adopted the following policy and procedures with regard to determination of "Material Subsidiaries" in order to comply with the requirements of Regulation 16(1)(c) and Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended (the "**SEBI Listing Regulations**"). The Board / its Committee may review this policy from time to time.

***Definitions***

1. "**Act":** Act means Companies Act, 2013 & Rules made thereunder.
2. **"Board of Directors" or "Board":** Means the Board of directors of Gallantt Metal Limited, as constituted from time to time.
3. **"Holding Company":** Holding Company in relation to one or more other companies, means a company of which such companies are subsidiary companies.
4. **"Subsidiary Company":** Subsidiary Company shall be as defined under the Act.
5. **"Material Subsidiary": shall mean a subsidiary, whose income or net worth exceeds 10 % (Ten percent) of the consolidated income or net worth respectively, of the company and its subsidiaries in the immediately preceding accounting year.**
6. **"Significant transactions or arrangement": "significant transaction or arrangement" shall mean any individual transaction or arrangement that exceeds or is likely to exceed ten percent of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the unlisted subsidiary for the immediately preceding accounting year.**
7. **"Networth" means net worth as defined in sub-section (57) of section 2 of the Companies Act, 2013;**
8. **"Audit Committee":** Audit Committee means the committee formed under Section 177 of the Act by the Board of the Company, from time to time.

***Guiding Principles***

**A subsidiary shall be a Material Subsidiary, if its income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.**

***Provisions with regard to Subsidiaries***

- The Audit Committee of the Company shall also review the financial statements, in particular the investments made by the unlisted subsidiary company on a quarterly basis;

- The Minutes of the Board Meetings of the Unlisted Subsidiary company shall be placed at the Board Meeting of the Company on a quarterly basis;

- **The Management of the Unlisted Subsidiary shall periodically bring to the notice of the Board of Directors of the Company,** a statement of all significant transactions & arrangements entered into by the unlisted subsidiary company shall be placed before the Board;

  **Explanation.- For the purpose of this provisions the term "significant transaction or arrangement" shall mean any individual transaction or arrangement that exceeds or is likely to exceed ten percent of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the unlisted subsidiary for the immediately preceding accounting year.**

- Subsidiary company shall not either by its own or through its nominees, holds any shares in its holding company & no holding company shall allot or transfer its shares to any of its subsidiary companies & any such allotment or transfer of shares of a company to its subsidiary company shall be void.

  Nothing contained in this clause, shall apply to a case:

  - Where the subsidiary company holds such shares as the legal representative of a deceased member of the holding company; or
  - Where the subsidiary company holds such shares as a trustee; or
  - Where the subsidiary company is a shareholder even before it became a subsidiary company of the holding company.

- The Company shall not directly/indirectly purchase its own shares or other specified securities through any subsidiary company including its own subsidiary companies;

- The Company shall include particulars of its subsidiary companies in its annual return;

- The Company shall also attach along statement with its financial, a separate statement containing the salient features of the financial statement of its subsidiary or subsidiaries;

- The Company shall, along with its financial statements to be filed with the Registrar, attach the account of its subsidiary or subsidiaries which have been incorporated outside India & which have not established their place of business in India;

- The Company shall place separate audited accounts in respect of each of its subsidiary on its website, if any & shall provide the copy of such audited financial statements to any shareholder of the Company, who asks for it.

***Provisions with regard to Material Subsidiaries***

- At least one Independent Director on the Board of Directors of the listed entity shall be a director on the board of directors of an unlisted material Subsidiary company whether incorporated in India or not.

  ***For the purpose of this provision, notwithstanding anything to the contrary contained in Regulation 16 of the SEBI Listing Regulations, the term "Material Subsidiary" shall mean a subsidiary, whose Income or Net Worth is exceeds 20% of the consolidated Income or Net Worth respectively, of the Company and its Subsidiaries in the immediately preceding accounting year.***

- The Company shall not dispose of shares in its Material Subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the Material Subsidiary without passing a special resolution in its general meeting except in cases where such disinvestment is made under a scheme of arrangement duly approved by a court/tribunal, **or under a resolution plan duly approved under Section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges with one day of the resolution plan being approved;**

- The Company shall not sell, dispose & lease of assets amounting to more than 20% of the assets of the Material Subsidiary on an aggregate basis during a financial year without the prior approval of the shareholders by way of passing special resolution in its General Meeting, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by court/tribunal, **or under a resolution plan duly approved under Section 31 of the Insolvency**

  **Code and such an event is disclosed to the recognized stock exchanges with one day of the resolution plan being approved;**

- **Every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice, in such form as may be specified.**

***Disclosures***

The policy on identification of material subsidiary shall be disclosed on the Company's website & a web link thereto shall be provided in the Annual Report.

***Amendment***

**This policy will be reviewed by the Board of Directors of the Company or by any of its Committee (as may be authorized by the Board of Directors in this regard) as they deem necessary. Any change in the**

**Policy shall be approved by the Board of Directors of the Company or its Committee. The Board of Directors or its Committee (as may be authorized by the Board of Directors in this regard) shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board of Directors in this respect shall be final and binding. Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.**

***Effective Date***

This Policy is effective from 1st April, 2019.

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## POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

### 1. BACKGROUND

Gallantt Metal Limited (the "**Company**") is committed to being open and transparent with all stakeholders and in disseminating information in a fair and timely manner. The Company's securities are listed on BSE Limited ("**BSE"**), and National Stock Exchange of India Limited ("**NSE"**). The Company is required to comply with the continuous disclosure obligations as mandated under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (the "**Listing Regulations**") and circulars issued by Securities and Exchange Board of India from time to time, including circular bearing no. CIR/CFD/CMD/4/2015 dated September 9, 2015.

The Policy on Determination of Materiality of events or information that warrants disclosure to investors has been framed in compliance with the requirements of the Listing Regulations.

### 2. OBJECTIVE

The objectives of this Policy are as follows:

a. To ensure that the Company complies with the disclosure obligations to which it is subject as a listed company as laid down by the Listing Regulations.
b. To ensure that the information disclosed by the Company is timely and transparent.
c. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.

d. To protect the confidentiality of material / price sensitive information within the context of the Company's disclosure obligations.
e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
f. To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

## 3. DEFINITION

**"Act"** shall mean the Companies Act, 2013 and the rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

**"Board of Directors"** or **"Board"** means the Board of Directors of Gallantt Metal Limited, as constituted from time to time.

**"Key Managerial Personnel"** means key managerial personnel as defined Section 2(51) of the Act;

**"Material Event"** or **"Material Information"** shall mean such event or information as set out in the annexures to this policy or Schedule or as may be determined in terms of Clause 4 of this Policy. In the Policy, the words, "material" and "materiality" shall be construed accordingly;

**"Policy"** means this Policy on criteria for determining Materiality of events or information and as may be amended from time to time;

**"Listing Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued thereunder, including any modifications, clarifications, circulars or re-enactment thereof;

**"Schedule"** means Schedule III of the Listing Regulations;

Any other term not defined herein shall have the same meaning as defined in the Act, the Listing Regulations, or any other applicable law or regulation to the extent applicable to the Company.

## 4. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

Materiality must be determined on a case to case basis depending on specific facts and circumstances relating to the information/event.

a. Regulation 30 of the Listing Regulations mandates disclosure of all *deemed* material events to the stock exchanges. These events have been specified in Para A of Schedule III of the Listing Regulations and shall be disclosed as applicable from time-to-time. These events are also listed in Annexure A to this Policy. These events will be disclosed as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information except for events stated in item 4 of Annexure A which shall be disclosed within thirty minutes of the conclusion of the Board Meeting. In

case the disclosure is made after twenty four hours of occurrence of the event or information, the rationale for the delay will be provided along with such disclosures.

b. For disclosure of certain events (as specified in Para B of Part A of Schedule III) of the Listing Regulations, to the stock exchanges (as reproduced in Annexure B to this Policy) the following criteria shall be considered by the Board for determining whether the events are material or not:

c. Where the omission of an event or information, is likely to result in:
   i. Discontinuity or alteration of event or information already available publicly or
   ii. A significant market reaction if the said omission came to light at a later date.

This Policy shall also apply to the events to which neither Para A or Para B of Part A of Schedule III applies but have a material effect on the Company in the opinion of the Board of Directors of the Company.

**5. <u>DISCLOSURE PROCESS</u>**

1. Any event purported to be reportable under Regulation 30 of the Listing Regulations shall be informed to the Managing Director / Chief Financial Officer / Company Secretary of the Company on an immediate basis with adequate supporting data/information to facilitate a prompt and appropriate disclosure. Any other event, even if not covered under the Listing Regulations but is potentially of price sensitive nature, must also be informed, for further evaluation to the Managing Director / Chief Financial Officer / Company Secretary.

2. The Chief Financial Officer / Company Secretary of the Company shall severally be responsible and authorised for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Listing Regulations and this Policy.

3. After evaluation, any one of the above mentioned persons shall submit disclosure to the stock exchanges.

4. The Company shall use the electronic facilities provided by the Stock Exchanges for dissemination of the information and may subsequently disclose the same via other media, including the press release, website, etc.

5. Statutory timeframes for disclosure shall be adhered to. Delay, if any, should be sufficiently explained along with the disclosure.

6. Regular updates, where relevant, shall be made with relevant explanations.

7. All disclosures shall be available on the website of the Company for a period of 5 years.

**6. <u>AUTHORITY TO KEY MANAGERIAL PERSONNEL</u>**

The Board of Directors of the Company have severally authorised the Chief Financial Officer and the Company Secretary & Compliance Officer of the Company (the "**Authorised Persons**") to determine Materiality of any event or information and ensure timely disclosures

of the same are made to stock exchange(s), subject to the provisions of this Policy. The Authorised Persons are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.

**Contact details of Key Managerial Personnel are as under:**

| **Chief Financial Officer:** | **Company Secretary:** |
|---|---|
| Name: Mr. Sandip Kumar Agarwal<br>Address: Registered Office: 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069. W.B. [Note: Registered Office of the Company proposed to be shifted at "GALLANTT HOUSE", I-7, Block-I, Jangpura Extension, Jangpura, New Delhi-110014]. | Name: Mr. Tarun Kumar Rathi<br>Address: Registered Office: 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069. W.B. [Note: Registered Office of the Company proposed to be shifted at "GALLANTT HOUSE", I-7, Block-I, Jangpura Extension, Jangpura, New Delhi-110014] |
| Telephone: 033-40642189/9956295302 | Telephone: 033-40642189/9903462248 |
| Email: sandeep@gallantt.com | Email: csgml@gallantt.com |

## 7. AMENDMENTS

The Board may, subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force. Any subsequent amendment/modification in the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.

## 8. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Regulations; or any other statutory enactments, rules, the provisions of such Listing Regulations / Act, or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to be severed from the Policy and the rest of the Policy shall remain in force.

## 9. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company gallant.com. Further, the Company shall disclose on its website all such events or information which has been disclosed to the stock exchange(s) under the Listing Regulations and such disclosures shall be made available on the website of the Company for a period of five years and thereafter as per the archival policy of the Company.

## 10. EFFECTIVE DATE

This Policy is effective from 1st April, 2019.

**ANNEXURE A**

**EVENTS WHICH SHALL BE DISCLOSED WITHOUT ANY APPLICATION OF THE GUIDELINES FOR MATERIALITY**

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the Company or any other restructuring;

Explanation. - 'Acquisition' shall mean, -

(i) acquiring control, whether directly or indirectly; or,

(ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -

(a) the Company holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;

(b) there has been a change in holding from the last disclosure and such change exceeds two per cent of the total shareholding or voting rights in the said company.

2. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.;

3. Revision in credit rating(s);

4. Outcome of Meetings of the Board of Directors: The Company shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:

a) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;

b) any cancellation of dividend with reasons thereof;

c) the decision on buyback of securities;

d) the decision with respect to fund raising proposed to be undertaken;

e) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;

f) re-issue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;

g) short particulars of any other alterations of capital, including calls;

h) financial results;

i) decision on voluntary de-listing by the Company from stock exchange(s).

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the Company), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof;

6. Fraud/defaults by Promoter or Key Managerial Personnel or by Company or arrest of Key Managerial Personnel or Promoter;

7. Change in Directors, Key Managerial Personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer;

7A. **In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.**

7B. **Resignation of auditor including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:**

**i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.**

**ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.**

**iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.]**

8. Appointment or discontinuation of share transfer agent;

9. Corporate debt restructuring;

10. One-time settlement with a bank;

11. Reference to BIFR and winding-up petition filed by any party /creditors;

12. Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the Company;

13. Proceedings of Annual and Extra-ordinary General Meetings of the Company;

14. Amendments to Memorandum and Articles of Association of Company, in brief;

15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors;

16. Re-classification of Promoter as Public Shareholder.

17. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:

a. Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;

b. Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;

c. Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;

d. Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;

e. List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
f. Appointment/ Replacement of the Resolution Professional;
g. Prior or post-facto intimation of the meetings of Committee of Creditors;
h. Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
i. Number of resolution plans received by Resolution Professional;
j. Filing of resolution plan with the Tribunal;
k. Approval of resolution plan by the Tribunal or rejection, if applicable;
l. Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
m. Any other material information not involving commercial secrets.]

**ANNEXURE B**

**ILLUSTRATIVE LIST OF EVENTS WHICH SHALL BE DISCLOSED UPON APPLICATION OF THE GUIDELINES FOR MATERIALITY**

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division;

2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal);

3. Capacity addition or product launch;

4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business;

5. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof;

6. Disruption of operations of any one or more units or division of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.;

7. Effect(s) arising out of change in the regulatory framework applicable to the Company;

8. Litigation(s) / dispute(s) / regulatory action(s) with impact;

9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Company;

10. Options to purchase securities including any ESOP/ESPS Scheme;

11. Giving of guarantees or indemnity or becoming a surety for any third party;

12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals;

13. Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

**Without prejudice to the generality mentioned above, the Company may make disclosures of event/information as specified by the Board from time to time.**

## Brief Profile of Mr. Prashant Jalan

1. **Name of the Director:** Mr. Prashant Jalan (DIN: 06619739)

2. **Father's Name:** Mr. Shyam Sunder Jalan

3. **Address:** Gallantt Metal Limited, Samakhiari, Samakhiyali, Kachchh – 370150, Gujarat

4. **Date of Birth:** 01/07/1974

5. **Designation:** Director (Plant Operation)

6. **Date of Re-appointment:** 30.03.2019 (Reappointment effective from 10.10.2019)

7. **Qualifications:** Diploma in Material & Supply Chain Management from IMT, Gaziabad in the year 2012

8. **Expertise in specific functional areas:**

   Mr. Prashant Jalan has contributed extensively towards the growth of the Company and has been actively responsible together with other officers for the installation, implementation and functioning of units of the project of the Company and attainment of the highest standards of quality. His area of job is diversified and looking after factory operation of the Company.

9. **Directorship in Companies:** No

10. **No. of Shares held in the Company:** NIL

11. **Relationship with the Directors of the Company:** No Relation.

12. **Job Responsibilities/Function/ Roles:**

**Job Responsibilities inter alia include:**

1. The Director-(Plant Operation) shall exercise and perform such powers and duties as the Board of Directors of the Company (hereinafter called "the Board") shall, from time to time, determine, and subject to any directions and restrictions, from time to time, given and imposed by the Board.

GALLANTT METAL LIMITED

2. Without prejudice to the generality of the power vested in the Director-Plant Operation hereinabove, the Director-Plant Operation shall be entitled to exercise the following powers:

(i) To ensure and manage day to day activities of the factory related to production, planning, environment protection and ensure proper working environment in factory and to take care of Safety and health of the staff and workers.

(ii) To ensure that all taxes due to the Central and State Governments and local bodies are paid promptly / timely and to attend correspondence with and to represent the company before statutory and other authorities.

(iii) To comply with the legal formalities of law of land pertaining to the operation and running of the factories of the Company, timely compliances such as filing of return and forms etc. as required from time to time as per the applicable law and rules.

(iv) To institute, prosecute, defend, oppose, appear or appeal to, compromise, refer to arbitration, abandon, subject to judgment, proceed to judgment and execution or become non-suited in any legal proceedings including trade marks, trade names, trade property and passing off actions and revenue proceedings relating to customs or excise duties, tax on income, profits and capital and taxation generally or otherwise.

3. The Director-Plant Operation throughout tenure of this agreement, shall discharge his duties strictly within the areas as referred in clause no 3 and in no circumstances unless the Board of Directors specifically authorize him to do so will act beyond the jurisdiction mentioned in clause No. -3 above. .
4. The Director-Plant Operation shall throughout the said term devote his entire time, attention and abilities to the business of the Company and shall obey the orders, from time to time, of the Board and in all respects conform to and comply with the directions and regulations made by the Board, and shall faithfully serve the Company and use his utmost endeavors to promote the interest of the Company. **Etc.**

13. **Reason for Change:** Re-appointment of Mr. Prashant Jalan as a Whole-time Director of the Company for a period of five years effective from August 12, 2019.

GALLANT METAL LIMITED

Company Secretary