



Garuda Aerospace Limited

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)

[Pursuant to Regulation 3(2A), Regulation 8 and Regulation 9A(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

CIN: U74900TN2015PLC102474

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CHAPTER-I PRELIMINARY

1. Introduction

This Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is framed as per Model Code prescribed under Schedule A of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

2. Definitions:

- a) **“Act”** means the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- b) **“Audit Committee”** means the Audit Committee constituted by the Board in accordance with Section 177 of the Companies Act, 2013 & Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**).
- c) **“Board”** or **“Board of Directors”** means the board of directors of Garuda Aerospace Limited.
- d) **“Company”** means Garuda Aerospace Limited.
- e) **“Compliance Officer”** means any senior officer, designated so and reporting to the Board of Directors or head of the organization, in case Board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the Regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in the Regulations under the overall supervision of the Board of Directors of the Company or the head of an organization, as the case may be;

The term **“financially literate”** shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.

- f) **“Connected Person”** means any person who is or has been, during the six months prior to the concerned act, associated with a company, in any capacity, directly or indirectly, including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship, whether temporary or permanent, with the company, that allows such a person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access
- g) **“Deemed to be a Connected Person”**: means the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established:
 - i. A relative of Connected Persons specified in clause (2.f); or
 - ii. A holding company or associate company or subsidiary company; or
 - iii. An intermediary as specified in Section 12 of the Act or an employee or director thereof; or
 - iv. An investment company, trustee company, asset management company or an employee or director thereof; or
 - v. An official of a stock exchange or of clearing house or corporation; or
 - vi. A member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
 - vii. 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, as amended (**“Companies Act, 2013”**); or
 - viii. An official and/or employee of a self-regulatory organization recognized or authorized by the Board;
 - ix. A banker of the Company; or

- x. A concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of the Company or his relative or banker of the Company, has more than ten per cent, of the holding or interest; or
 - xi. a firm or its partner or its employee in which a connected person specified in sub clause (i) of clause (d) is also a partner; or
 - xii. a person sharing household or residence with a connected person specified in sub clause (i) of clause (d);
- h) **“Designated Persons”** will mean and include:
- i. All the Directors of the Company;
 - ii. Promoters and members of Promoter Group;
 - iii. All employees of the Company coming under the Grade 1, 2 and 3 (as per the policy of the Company) and its material subsidiaries.
 - iv. Key Managerial Personnel (as defined in accordance with the Companies Act, 2013 and applicable accounting standards) of the Company;
 - v. All employees of the ‘Finance’, ‘Accounts’, ‘Audit’, ‘Taxation’, ‘Legal and Secretarial’, ‘Research and Development’, ‘Corporate Communication’ functions of Corporate Finance, Information Technology, irrespective of their grade;
 - vi. employees of such other functions of the Company who are in possession or likely to be in possession of Unpublished Price Sensitive Information;
 - vii. Directors, Chief Executives and employees up to 2 (two) levels below the Managing Director, including the head of Accounts and Finance (by whatever name called) of the Company and material subsidiaries of the Company;
 - viii. Personal assistants, if any, of persons referred in (i) and from (iii) to (vii) above;
 - ix. Any other employees as may be designated/ notified by the Compliance Officer in consultation with the Board of Directors from time to time, who may be considered to be in possession of Unpublished Price Sensitive Information;
 - x. Immediate Relatives of persons specified in (i) to (viii) above.
- i) **“Promoter group”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- j) **“Insider”** means any person who is: (i) A connected person; or (ii) In possession of or having access to unpublished price sensitive information; or (iii) Any person who is in receipt of unpublished price sensitive information pursuant to a Legitimate Purpose;
- k) **“Leak”** means communication of information, which is/deemed to be UPSI by any person, who is in possession of UPSI, to any other person, directly or indirectly, overtly or covertly, or in any manner whatsoever, except for legitimate purposes, performance of duties or discharge of legal obligations.
- l) **“Legitimate Purpose”** shall include sharing of unpublished price sensitive information in the ordinary course of business by an Insider with partner(s), collaborator(s), lender(s), customer(s), supplier(s), merchant banker(s), legal adviser(s), auditors, insolvency professional(s) or other advisor(s), or consultant(s), provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations;
- m) **“Regulations”** means the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto;
- n) **“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;
- o) **“Suspect”** means the person or persons against or in relation to whom an inquiry is initiated in case of leak or suspected leak of UPSI.

- p) **"Unpublished Price Sensitive Information (UPSI)"** means any information, relating to the 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 be, including but not restricted to, information relating to the following:
- i. Financial results;
 - ii. Dividends;
 - iii. Change in capital structure;
 - iv. Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business, award or termination of order/contracts not in the normal course of business and such other transactions;
 - v. Changes in Key Managerial Personnel, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;
 - vi. Change in rating(s), other than ESG rating(s);
 - vii. fund raising proposed to be undertaken;
 - viii. agreements, by whatever name called, which may impact the management r control of the company;
 - ix. fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;
 - x. resolution plan/ restructuring or one-time settlement in relation to loans/borrowings from banks/financial institutions;
 - xi. admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;
 - xii. initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
 - xiii. action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company;
 - xiv. outcome of any litigation(s) or dispute(s) which may have an impact on the company;
 - xv. giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business;
 - xvi. granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

**CHAPTER – II
PRINCIPLES AND OBLIGATIONS AND APPLICABILITY**

3. The Principles and Obligation:

The Company endeavours to preserve the confidentiality of Unpublished Price Sensitive Information (“UPSI”) and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations. Every promoter, director and employee who deals with UPSI has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. There shall be no selective disclosure of the information and the Company and every employee thereof, shall endeavour to ensure equal accessibility of information to all the stakeholders associated with the Company.

4. This Code shall apply to all “Insiders” defined at 2(j), as above including Connected Person and Designated Persons and their immediate relatives.

CHAPTER – III PRACTICES AND PROCEDURES

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

The Company shall ensure dissemination of UPSI that would impact price discovery in a prompt and timely manner once a definitive decision has been taken to disclose such information.

- a. Company to take reasonable steps to ensure the accuracy of information before dissemination.
- b. Disclosure of UPSI shall be in accordance with this Code/applicable laws and other Company procedures if any, and no sooner than credible and concrete information comes into being, in order to make such information generally available.

5.2. Uniform and universal dissemination of UPSI to avoid selective disclosure.

- a. UPSI will be disseminated uniformly and universally to all stakeholders through Stock Exchanges. Additionally, the same may also be posted on the official website of the Company as per Applicable Law.
- b. In case any information is disclosed selectively, whether by inadvertence or otherwise, the Company shall take the necessary corrective action, including informing the Stock Exchanges, to make the information publicly available. This will be decided by the Compliance Officer/CIRO in conjunction with the Managing Director or Chief Executive Officer and the Chief Financial Officer.

5.3. Designation of a senior officer as a Chief Investor Relations Officer to deal with dissemination of information and disclosure of UPSI.

The Company shall have designated a Compliance officer (or in his absence any senior officer) as a Chief Investor Relations Officer.

5.4. Prompt dissemination of UPSI that gets disclosed selectively, inadvertently, or otherwise to make such information generally available.

If information is accidentally disclosed without prior approval, the person making such disclosure shall immediately inform the Chief Investor Relations Officer, who shall take all necessary steps to make the information generally available and accessible.

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

The Company shall make all efforts to clarify rumours and queries, while ensuring that the comments are restricted to clear the facts. The Chief Investor Relations Officer shall, on receipt of queries on news reports or requests for verification of market rumours received from regulatory authorities, send an appropriate and fair response to the same. The Chief Investor Relations Officer shall be responsible for deciding as to the necessity of a public announcement for verifying or denying rumours and thereafter making appropriate disclosures. All requests/queries received shall be documented and as far as practicable, the Chief Investor Relations Officer, shall request for such queries/requests in writing.

5.6. Ensuring that information shared with analysts and research personnel is not UPSI.

All directors, officers and employees of the Company shall comply with the following guidelines while dealing with analysts, institutional investors, and media.

- a. No person, except those authorized by the Chief Investor Relations Officer, shall disclose any information relating to the Company's securities to analysts and research persons. The Chief Investor Relations Officer shall be invited to meetings/ conferences organized by the Company with analysts/research persons.
- b. All other directors, officer and employees of the Company shall not deal with analyst and media except with the prior approval of the Chief Investor Relations Officer.
- c. Only public information shall be provided to the analyst/research persons/large investors, institutional institutions, and media.
- d. In order to avoid misquoting or misrepresentation, the Chief Investor Relations Officer and/or one other representative of the Company shall be present at meetings with analysts, brokers, institutional investors, and media. The discussions shall be recorded.
- e. Unanticipated questions shall be taken on notice and a considered response shall be accorded later. If the answer includes UPSI, a public announcement shall be made before responding.
- f. When any meeting is organized with analysts, the presentation and a press release shall be hosted on the website after every such meet.

5.7. 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.

- a. Disclosure/dissemination of information shall be made through various media to achieve good reach and quick dissemination.
- b. Disclosures shall also be made through the Company's official website.
- c. The investor relations section of the Company's website shall be used to give investors a direct access to analyst briefing material, significant background information, questions, and answers, etc.

5.8. Handling of all UPSI on a need-to-know basis.

All UPSI shall be handled only on a need-to-know basis. Employees shall handle all UPSI on a need-to-know basis and in furtherance of their role, tasks and duties owed to the organization.

5.9. Policy for determination of “Legitimate Purposes”

- a) Sharing of relevant UPSI with persons who have expressly agreed in writing to keep the information confidential, and not to transact in the Company’s Shares on the basis of such information;
- b) Sharing for the purposes of obtaining regulatory licenses and approvals;
- c) Sharing for obtaining various credit facilities or loans, giving guarantees, or providing security from/to banks, financial institutions, or other lenders.
- d) Sharing information with legal advisors or counsels in relation to any litigations, representations or registering of any intellectual property rights or in relation to obtaining any opinion or advisory services advisory services;
- e) Sharing for obtaining advice or/ and transaction support for evaluating new products, business opportunities and lines of business;
- f) Sharing for the process related to disclosure of events set out in Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- g) Sharing for a genuine, reasonable or a bona fide business determined by the CISO in conjunction with the Managing Director or Chief Executive Officer or Chief Financial Officer or Compliance Officer or Company Secretary of the Company;
- h) Procuring /sharing of UPSI in the ordinary course of business for the purpose of consolidation of accounts.
- i) Sharing of UPSI in furtherance of performance of duties (including any corporate or fiduciary duties) and obligations of a person in their capacity as an employee or Director of the Company as per the terms of his / her employment or appointment and/or the applicable laws.
- j) Arising out of business requirement including requirement for the purposes of promoting the business and strategies of organisation
- k) Sharing of UPSI for any purpose for performance of routine operations of the Company and/ or for the furtherance of business, strategies or objectives of the organisation
- l) Sharing of UPSI for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force.

5.10. Structured Digital Database

Structured Digital Database shall be used for purposes of sharing of UPSI for a Legitimate Purpose. It shall contain the nature of UPSI shared and the names of such persons who have shared the information and also the names of such persons with whom information is shared as per the Regulations along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such Database shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. The Structured Digital Database shall be preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from SEBI regarding any investigation or enforcement proceedings, the relevant information in the Structured Digital Database shall be preserved till the completion of such proceedings.

5.11. Disclosure of the Code on Public Domain

This Code and every subsequent modification, alteration or amendment made thereto, shall also be intimated to the stock exchange where the securities of the Company are listed and published on the official website of the Company.

5.12. Chief Investor Relations Officer

The Compliance Officer of the Company in his/her absence the Chief Financial Officer or Managing Director of the Company has been designated / called as the “**Chief Investor Relations Officer**” to deal with dissemination of information and disclosure of UPSI.

CHAPTER – IV PROCEDURE FOR INQUIRY IN CASE OF LEAK OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

6.1. Procedure for enquiry in case of Leak of UPSI

- a) Any instance of leak of Unpublished Price Sensitive Information should be based on a direct and first-hand experience of the Whistle Blower. It should not be based on any secondary, unreliable source such as grapevine or any other form of informal communication.
- b) Inquiry under this policy shall commence based on a written complaint received from any Insider, Designated Person, Registrar and Share Transfer Agents or any other regulatory authority.
- c) The Whistle Blower may complaint or report the leak of UPSI by addressing the hard copies or by an email to Compliance Officer.
- d) The Whistle Blower shall inter alia state particulars of the complaine and details of the complaint. The Whistle Blower has the option of annexing such documentary evidence, as deemed reasonable for substantiating the complaint lodged.
- e) The instance of leak of UPSI made by the Whistle Blower must be genuine with adequate supporting data/proof. If it is established that the allegation was made with mala-fide intentions or was frivolous in nature or was not genuine, the Whistle Blower shall be subject to disciplinary action.
- f) A preliminary inquiry shall be conducted to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to initiate further investigation. The preliminary inquiry shall be conducted by the Compliance Officer under the supervision of Managing Director and Chairman of the Audit Committee.
- g) The Compliance Officer in consultation with the Managing Director shall write to the complaine intimating the details of the complaint received and directing him to provide a written representation.
- h) If in the opinion of Chairman of Audit Committee, Managing Director and Compliance Officer, the preliminary inquiry warrants further investigation, the same shall be submitted to Inquiry Committee for detailed investigation.
- i) Inquiry Committee shall consist of Compliance Officer, Chief Financial Officer, Managing Director and Head of Human Resources.
- j) Upon receipt of the report of the preliminary inquiry and all other supporting documents, the Inquiry Committee is required to initiate the investigation.
- k) The Inquiry Committee may call upon such employees/individuals to seek clarification or information pertaining to the leak of UPSI or person(s) who were involved in the generation of original data.
- l) Unless there are compelling reasons not to do so, Suspect shall be given an opportunity to respond to material findings contained in investigation report. The Suspect(s) has the responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with. The Suspect shall co-operate with the Inquiry Committee during the investigation process.

- m) The Inquiry Committee shall conduct the investigation and give its final report within 30 days from the date on which the matter was referred to the Committee or such other reasonable time. The report shall clearly mention, whether a leakage of UPSI has occurred or not and if occurred the proposed disciplinary action against the violator.

6.2. Disciplinary Action

- a) On receipt of report of Inquiry Committee, the Compliance Officer shall forthwith forward such report to Audit Committee and Board of Directors of the Company.
- b) The disciplinary action against the Suspect may be taken after consultation with the Audit Committee and Board of Directors of the Company.
- c) The Disciplinary action(s) may include wage freeze, suspension, termination of employment / contract / agreement etc.,
- d) The Company shall inform SEBI and Stock Exchange of such leaks, inquiries and results of such inquiries.

CHAPTER – V AMENDMENT, SCOPE & LIMITATION

7.1. Amendments

The Board of Directors is authorized to amend or modify this fair disclosure code in whole or in part as and when deemed necessary, to stipulate further guidelines, procedures, and rules, from time to time, to ensure fair disclosure of UPSI.

7.2. Scope and Limitation

In case there are any regulatory changes requiring modifications to this policy, the same shall be reviewed and amended with the approval of the Board of Directors. However, the amendment in the regulatory requirements shall be binding on the Company and prevail over this policy even if not incorporated in this policy.

Effective Date: November 05, 2025