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CONCORD ENVIRO SYSTEMS LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

Adopted on: 14th December 2024.

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

1. Introduction

Insider trading refers to trading in securities by a person who possesses 'inside' or prior information about a Company's performance and prospects which is not yet available to ordinary investors, and which if available might affect price of its securities. This type of practice is unethical and needs to be curbed as it erodes the confidence of the common investor in the Company and the integrity of its Management. Such persons, by virtue of their privileged position can deal in the securities of the Company and make gains at the cost of the common investor.

In order to protect the interests of investors in general and to strengthen the legal framework for prohibition of insider trading in securities, the Securities and Exchange Board of India (**'SEBI'**) has notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (**'Insider Trading Regulations'**).

Pursuant to Regulation 8(1) of the Insider Trading Regulations, Concord Enviro Systems Limited ("the Company") is required to formulate a code of practices and procedures for fair disclosure of unpublished price sensitive information (**'Fair Disclosure Code' or 'Code'**).

The Board of Directors of the Company has formulated the Fair Disclosure Code and approved the same at its meeting held on December 14, 2024.

2. Objective

The objective of Fair Disclosure Code is to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities and adhere to each of the principles set out in Schedule A to the Insider Trading Regulations as amended from time to time.

3. Definitions

3.1 “**Act**” means the Securities & Exchange Board of India Act, 1992 (**‘SEBI Act, 1992’**).

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

3.3 “**Company**” means Concord Enviro Systems Limited.

3.4 “**Compliance Officer**” means the person as defined in Code of Conduct of the Company.

3.5 “**Generally available information**” means information that is accessible to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media.

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

- i) a connected person; or
- ii) in possession of or having access to unpublished price sensitive information.

3.7 “**Unpublished Price Sensitive Information**” (**‘UPSI’**) means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

- (i) financial results
- (ii) dividends
- (iii) change in capital structure
- (iv) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions
- (v) changes in key managerial personnel

Words and expressions used and not defined herein shall have the meaning ascribed to such term under the Insider Trading Regulations. In case of any discrepancy between the Insider Trading Regulations and the terms defined herein, the meaning as ascribed under the Insider Trading Regulations, shall prevail.

4. Practices and Procedures

All UPSI is to be preserved and maintained in utmost confidentiality by everyone including those who are recipients of any UPSI. In order to adhere to the principles as mentioned in Schedule A to the Insider Trading Regulation, the Company shall:

- a) Promptly disclose to the public UPSI that would impact price discovery, no sooner than credible & concrete information comes into being in order to make such information generally available.
- b) Uniformly & universally disseminate UPSI in a timely manner and avoid selective disclosure, by communicating the same to the stock exchange(s) and disclosing the same on its website.
- c) Promptly disseminate UPSI that gets disclosed selectively, inadvertently or otherwise, to make such information generally available.
- d) Provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities such as Stock Exchanges etc.
- e) Ensure that information shared with analysts and research personnel is not UPSI.
- f) Develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on its official website, in order to ensure official confirmation and documentation of disclosures made.
- g) Handle all UPSI on a need-to-know basis by creating suitable safeguards to avoid UPSI becoming available to any person who is not required to have access to such information.

5. Legitimate Purpose

The UPSI can be shared as an exception by an insider for legitimate purposes as per policy for determination of Legitimate Purpose as given in **Annexure A**.

6. Leak/Suspected Leak of UPSI

The Board has formulated a written policy for initiating appropriate inquiries on becoming aware of leak/suspected leak of unpublished price sensitive information as given in **Annexure B**.

7. Code Of Conduct

The Company shall adhere to the prescribed standards of code of conduct of the Company to regulate, monitor and report trading by insiders, designated persons and all other applicable persons and entities.

8. Chief Investor Relations Officer (CIRO)

The Compliance Officer of the Company is designated as “Chief Investor Relations Officer” to deal with dissemination of information and disclosure of UPSI. The CIRO may be contacted by e-mail at cs@concordenviro.in.

9. Policy review and amendments

The Board reserves the power to review and amend the Fair Disclosure Code from time to time. All provisions of this Code would be subject to revision / amendment in accordance with applicable laws as may be issued by relevant statutory and regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory and regulatory authorities are not consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.

Annexure – A
Policy for determination of Legitimate Purposes
[Under Regulation 3(2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time]

1. Background:

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, “(Insider Trading Regulations)” as amended require every listed Company, inter alia, to formulate a policy for determination of “legitimate purposes”. Accordingly, the Board of Directors of Concord Enviro Systems Limited (“the Company”) adopted this policy for determination of legitimate purpose.

2. Definition:

2.1 “**Legitimate Purpose**” shall mean sharing of Unpublished Price Sensitive Information (UPSI) as provided hereunder in the ordinary course of business and/or on need-to-know basis by any Insider with any of the below mentioned persons, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Insider Trading Regulations:

- Sharing the relevant UPSI with advisors or consultants engaged by the Company in relation to the subject matter of the proposed deal/assignment in relation to UPSI.
- Sharing the relevant UPSI with intermediaries/fiduciaries viz. merchant bankers, legal advisors, auditors in order to avail professional services from them in relation to the subject matter of UPSI.
- Sharing the relevant UPSI with persons for legitimate business purpose, including in respect of the events set out in Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Sharing the relevant UPSI with persons who have expressly agreed in writing to keep the information confidential, and not to transact in the company’s securities on the basis of such information, such as potential customers, joint ventures partners, collaborators, lenders, vendors or any other counterparty.
- Sharing the relevant UPSI in case mandatory for performance of duties or discharge of legal information.
- Additionally, the Compliance Officer may from time to time determine and identify any other information, transaction, or event to qualify as a “Legitimate purpose” for the purposes of the Insider Trading Regulations.

3. Restrictions:

3.1 Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of Insider Trading Regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with Insider Trading Regulations.

4. Maintenance of Structured Digital Database

4.1 The Board of Directors shall ensure that a structured digital database is maintained containing the nature of UPSI and the names of such persons who have shared the information and also the names of such persons with whom information is shared along with the Permanent Account Number (PAN) or any other identifier authorized by law where PAN is not available.

4.2 Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

4.3 The Board of Directors shall ensure that the structured digital database is 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. Confidential Agreements for Maintenance Of UPSI

The recipient of such UPSI shall be considered an "Insider" for purposes of Regulations and will have a duty and responsibility to maintain its confidentiality by way of execution of agreements to contract confidentiality / Non-Disclosure Agreements. Such recipient shall keep information so received confidential, except for the limited purpose as defined in this Code and shall not otherwise trade in Securities of the Company when in possession of UPSI or even communicate UPSI.

6. Policy review and amendments

The Board reserves the power to review and amend this policy from time to time. All provisions of this policy would be subject to revision / amendment in accordance with applicable laws as may be issued by relevant statutory and regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory and regulatory authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.

Annexure – B

POLICY FOR PROCEDURE OF INQUIRY IN CASE OF LEAK / SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

[Under Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time]

1. Background:

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, “(Insider Trading Regulations)” as amended requires every listed company to formulate written policies and procedures for inquiry in case of leak of unpublished price sensitive information (“UPSI”) or suspected leak of UPSI and initiate appropriate inquiries on becoming aware of leak of UPSI or suspected leak of UPSI and inform the SEBI promptly of such leaks, inquiries and results of such inquiries.

In this regard, Board of Directors of Concord Enviro Systems Limited (“Company”) has laid down this policy for procedure of inquiry in case of leak/suspected leak of UPSI (“the policy”), for adoption.

2. Scope:

To lay down the procedures for inquiry in case of leak of USPI or suspected leak of UPSI and inform SEBI promptly of such leaks, inquiries and results of such inquiries.

3. Definitions:

3.1 “Audit Committee” means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 & Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended (“SEBI Listing Regulations”).

3.2 “Leak of UPSI” 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.

3.3 “Support Staff”, shall include IT Staff, Secretarial Staff, Legal Staff, Finance Staff, Strategy Staff who have access to unpublished price sensitive information.

3.4 “Whistle Blower” means an employee of a Company making a disclosure under the Whistle Blower Policy.

4. Procedure for inquiry in case of Leak or suspected Leak of UPSI

The Chairman/Managing Director/CEO may on suo-motu becoming aware or otherwise, of actual or suspected leak of UPSI of the Company by any Promoter, Director, Key Managerial Person, Insider, Employee, Designated Person, Support Staff or any other known or un-known person, follow the below mentioned procedure in order to inquire and/or investigate the matter.

a. Preliminary Inquiry:

The Chairman/Managing Director/CEO shall appoint/authorize Compliance Officer or any other person as the investigating officer as he deems fit to conduct preliminary inquiry and ascertain whether the information leaked or suspected to be leaked amounts to UPSI.

The object of preliminary inquiry is fact-finding, 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/inquiry.

b. Report of Preliminary Enquiry:

The Compliance Officer or Person(s) appointed/authorized to enquire the matter of actual or suspected leak of UPSI submit his/her report to the Chairman/Managing Director/CEO as the case may be within such time as directed.

c. Intimation of Leak or suspected Leak of UPSI:

If in the opinion of Chairman/Managing Director/CEO as the case may be, the preliminary inquiry report warrants further investigation, the same shall be initiated in such manner as directed by the Chairman/Managing Director/CEO as the case may be.

Any such leaks, inquiries and results of such inquiries and actions taken shall be promptly informed to the Audit Committee and Board.

d. Disciplinary Action:

The Disciplinary Action(s) shall include wage freeze, suspension, recovery, claw back, termination etc., as may be decided by the Board of Directors in addition to the action to be initiated by the SEBI, if any.

- e. If an inquiry has been initiated by the Company in case of leak or suspected leak of price sensitive information, the relevant intermediaries and fiduciaries, if any, shall co-operate with the company in connection with such inquiry conducted by the company.
- f. If the leak or suspected leak of price sensitive information requires any regulatory disclosure under applicable laws, the Company shall make the required disclosure to appropriate authorities.

5. Whistle Blower Arrangements:

Company has a whistle a whistle-blower policy as part of vigil mechanism and employees can report about any leak or suspected leak of price sensitive information under this policy.

6. Safeguards against victimization of a Whistle Blower and encouragement for responsible and secure whistle blowing:

- i) This Policy strictly prohibits any unfair treatment or any retaliatory action in any form from any of other employees against any Whistle blower and expressly protects the identity of the Whistle Blower subject to the provisions hereunder; however where any Employee uses this Policy for making any false allegation or complaints knowing it to be false shall be deemed to have tarnished the reputation of the Company and thereby committed a major misconduct and accordingly shall be subject to major penalties under the SEBI Regulations.
- ii) The Whistle Blower, Investigating Officer and every employee involved in the Enquiry process shall:
 - a. Maintain complete confidentiality/ secrecy of the matter.
 - b. Not discuss the matter in any informal/social gatherings/ meetings.
 - c. limit disclosure of information only on need-to-know basis to other persons only for the purpose of completing the process and investigations.
 - d. Not keep the papers unattended anywhere at any time.
 - e. Always keep the electronic mails/files under password.

7. Policy review and amendments:

The Board reserves the power to review and amend this policy from time to time. All provisions of this policy would be subject to revision / amendment in accordance with applicable laws as may be issued by relevant statutory and regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory and regulatory authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.