



# CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT

**101 HDIL TOWERS  
ANANT KANEKAR MARG  
BANDRA EAST  
MUMBAI 400051  
INDIA**

**Adopted On:  
22 June 2022**

This Code of Conduct highlights the standards of conduct expected from the Company's Directors and Senior Management so as to align these with the Company's Values. Concord Enviro Systems Limited is driven by its

passion to protect our environment and help its customers meet their sustainable manufacturing goals by creating affordable and efficient technologies to recycle and reuse resources. We will continue to innovate

and create path breaking and economic solutions to enhance value for our customers, employees, shareholders and the communities within which we work.

## Objective

This Code has been drawn up in accordance with the Corporate Governance requirements as per Regulation 17 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The objectives of the Code are:

- To conduct the business of the Company with integrity, fairness and transparency.
- To meet the expectations of statutory and regulatory authorities, and progressively enhance the scope of this Code to align the conduct with the expectations of shareholders, other stakeholders and the society at large.

## Applicability

This revised Code shall come into effect on June 22, 2022 and shall apply to all the Directors and Senior Management of Concord Enviro Systems Limited and its subsidiaries. Senior Management means all Executives as specified by the Board from time to time.

## Honest and Ethical Conduct

1. **Compliance with the Law:** The Directors and Senior Management must exhibit their total submission to the limits of law in drawing up the business policies, including strict adherence to and monitoring of legal compliances at all levels.
2. **Fair and Transparent Conduct:** The Directors and Senior Management are expected to act in accordance with the highest standards of personal and professional integrity, independence, honesty and ethical conduct including use of utmost care and sound judgment in good faith in business decision making.

Business must be done by lawful, ethical and fair means and must bring about a reputation of ethical business dealings by the Company. There shall be no room for discrimination, harassment, retaliation or any form of corruption and/or conduct that is likely to bring discredit to the Company.

## Conflict of Interest

If an individual's personal interest interferes with the interests of the Company, a 'conflict of interest' arises. A conflict of interest has the effect of influencing or distorting business decisions by reason of individual, family, financial or other interests. In such a situation the Directors/ Senior Management must promptly disclose the details to the Board of Directors.

Monetary transactions between the Company and a Director and/or their related parties shall be brought to the knowledge of the Board.

The Directors / Senior Management should not appropriate corporate business opportunities for themselves or use Company information for personal gain.

Senior Management shall disclose to the Board all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company.

## Concurrent Employment

Senior Management shall not, without the prior approval of the Chairman & Managing Director / Co-Chairman & Managing Director, accept employment or a position of responsibility (such as a consultant or a director) with any other company, nor provide "freelance" services to anyone. The Directors shall avoid joining the Boards of competitors or taking up advisory or consultative assignments, whether for remuneration or otherwise, in competing organisations other than their existing directorships.

## Confidential Information

The confidential and proprietary information of the Company is its valuable asset. It is the duty of the Directors and Senior Management to protect confidentiality and to introduce effective checks for this purpose.

The Directors/Senior Management are expected to handle confidential information discreetly. Such information should be used only for the purpose of business of the Company. This obligation continues even after leaving the directorship/employment of the Company.

They are also expected to keep similar confidential information received from third parties under conditions of confidentiality. The Directors and Senior Management shall execute an Oath of Secrecy in the prescribed format.

## External Communication with Media and Investors

To maintain and retain The Company's reputation and to ensure that information to media / investors is accurate and properly presented, only the Chairman and Managing Director or the designated representatives would give interviews or make statements to media / investors. Any other Director / Senior Management receiving requests for information from media, investors (analysts, fund managers, brokers) or any external agency, should refer to Corporate Communications who would consult Chairman and Managing Director before authorising the Director / Senior Management to reply to such requests. The Directors / Senior Management should take the update from Corporate Communications before interaction with media / investors / any other external agencies.

## Protection and Proper Use of Company Assets

The Directors and Senior Management should protect the Company's assets and ensure their efficient use. All company assets should be used only for legitimate business purposes.

The responsibilities of the Directors/Senior Management extend to:

1. The Fiduciary Responsibility This includes, protecting the Company's assets, maintaining and managing the Company's records, ensuring true, fair and accurate accounting of all transactions, fair use of the Company's funds, reducing waste/emissions, providing a safe environment for the employees and safeguarding the intellectual property assets.
2. Transparency For good corporate governance ensure (i) Compliances with law (ii) Strict adherence to Accounting policies, (iii) Integrity in communication (timely, accurate reporting)

and (iv) Providing the internal and statutory Auditors and the Audit Committee, full access to all information and records of the Company.

## Prohibition of Insider Trading

Every director and member of Senior Management and his relatives as defined in Code of Conduct for Prohibition of Insider Trading(hereinafter called "Insider Code"), shall comply with the Insider Code.

## Dealings with Outsiders

1. With competitors, industrial espionage: Contacts / associating with competitors should be limited to legitimate purposes, including, membership of a trade association etc. Utilising an association such as this for the purpose of stealing / seeking business information, gaining employee information, planning price cartels, etc is against the Company's mission.
2. Gifts and Entertainment  
Though business gifts and entertainment are customary, they need to be viewed with caution. Occasionally, the directors and senior management may accept and offer nominal gifts which are customarily given and are of commemorative nature for festivals or special events. However, when an inducement is directly or indirectly made so as to influence a business decision, it must be guarded against.

## Annual Affirmation

The Directors and Senior Management shall affirm compliance with the Code as on 30th June of each year. This affirmation shall be given to the Chairman & Managing Director in the enclosed format given in Annexure 1.

## Penalty for Breach

The Directors and Senior Management are accountable for full compliance with this Code of Conduct. Sanctions for breach of this Code shall be determined by the Board of Directors in case of Directors and by the Chairman & Managing Director in case of Senior Management. Sanctions may include disciplinary action, removal from office as well as other remedies, deemed appropriate and permitted by law.

Any significant breach of the Code must be notified to the Board of Directors and the Chairman & Managing Director, as the case may be, who will in turn report it to the The Company's Board of Directors on the Code's operation and effectiveness along with any significant breach of the Code.

## Provisions Applicable to Independent Directors

In addition to the provisions contained in this Code, following shall also be applicable to Independent Directors (IDs) of the Company:

- a. Disclosures: Every ID shall at the first meeting of Board in which he participates as a Director and thereafter at the first meeting of Board in every financial year or wherever there is any change in the circumstances which may affect his status as an Independent Director, give a

declaration that he meets the criteria provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence.

- b. Code for Independent Directors: All IDs shall act in accordance with the Articles of Association of the Company and subject to the provisions of the Companies Act, 2013 read with the Listing Regulations. Schedule IV of the Companies Act, 2013 ('Code for Independent Directors') stipulates detailed functions, duties and guidelines for professional conduct of IDs. A copy of the said Code is enclosed as Annexure 2.

## Interpretation

Any question relating to how this Code should be interpreted or applied should be addressed to the Compliance Officer.

Note: This Code has also been posted on the Website of the Company [www.concordenviro.in](http://www.concordenviro.in)

## Review

The Board of Directors of the Company ("Board") may amend, abrogate, modify or revise any or all clauses of this Code.

## Annexure 1

# FORMAT OF COMPLIANCE WITH CODE OF CONDUCT

To,  
The Chairman & Managing Director,  
Concord Enviro Systems Limited  
101 HDIL Towers, Anant Kanekar Marg, Bandra East, Mumbai 400051, India

### OATH OF SECRECY

I, <insert name>, <insert designation>, resident of <insert address>, being a director/senior executive of the Company, hereby solemnly affirm that in terms of the Code of Conduct for Directors and Senior Management of The Company Pharmova Limited:

- I shall use the confidential information of the Company only for the purpose of the business of the company.
- I shall not at any time, use the confidential information for my personal gains.
- I shall at all times, during my directorship/employment and also thereafter, protect the confidentiality of the confidential and proprietary information of the Company, which it was my privilege to know by reason of my position in the Company.

This affirmation shall not however extend to any information which:

- is already in the public domain; or
- subsequently comes into the public domain; or
- is already in my lawful possession / subsequently comes lawfully into my possession; or
- is required to be disclosed by law, regulation or any governmental or competent regulatory authority.

Signature:

Name:

Designation:

Date:

## Annexure 2

SCHEDULE IV [See section 149(8)]

### CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

#### Guidelines of professional conduct

An independent director shall:

- Uphold ethical standards of integrity and probity;
- Act objectively and constructively while exercising his duties;
- Exercise his responsibilities in a bona fide manner in the interest of the company;
- Devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- Not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- Not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- refrain from any action that would lead to loss of his independence;
- where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- assist the company in implementing the best corporate governance practices.

#### Role and functions

The independent directors shall:

- help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- bring an objective view in the evaluation of the performance of board and management;
- scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- safeguard the interests of all stakeholders, particularly the minority shareholders;



- balance the conflicting interest of the stakeholders;
- determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

## Duties

The independent directors shall:

- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- 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;
- strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- strive to attend the general meetings of the company;
- 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;
- keep themselves well informed about the company and the external environment;
- not to unfairly obstruct the functioning of an otherwise proper Board or board committee;
- 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;
- ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- 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.