

ENVIROTECH SYSTEMS LIMITED

(A-29, BLOCK-A, SHYAM VIHAR PHASE-I, NEW DELHI -110043, INDIA)

*****CIN U31101DL2007PLC159075*****

CORPORATE GOVERNANCE

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In addition to the applicability of provisions of Companies Act, 2013 with respect to corporate governance, provisions of the SEBI (LODR) Regulations, 2015 have also been complied with, to the extent applicable to our Company.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report. We have complied with the requirements of the applicable regulations, including Regulations, in respect of Corporate Governance including constitution of the Board and its Committees. The Corporate Governance framework is based on an effective Independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The following committees have been constituted for compliance with Corporate Governance requirements:

- A. Audit Committee;
- B. Stakeholders Relationship Committee;
- C. Nomination and Remuneration Committee;

A. Audit Committee:

Our Board has constituted the Audit Committee vide Board Resolution dated March, 29, 2024, in accordance with the Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. The audit committee comprises of:

Name of the Director	Status in the Committee	Nature of Directorship
Mr. Rohit Kumar (DIN: 10515418)	Chairperson	Non-Executive Independent Director
Mr. Sachin Kumar (DIN: 09233592)	Member	Non-Executive Independent Director
Mr. Gaurav Bajpai (DIN: 02291802)	Member	Non-Executive Independent Director

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

A. Powers of Audit Committee:

The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

B. Role of Audit Committee:

The role of the Audit Committee shall include the following:

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the half year and annual financial statements and auditor's report thereon before submission to the board for approval;
- reviewing, with the management, the half year financial statements before submission to the board for approval, with particular reference to:
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up there on;

- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
- Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non- payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
- Audit committee shall oversee the vigil mechanism.
- Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
- Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- Statement of deviations:

- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

B. Nomination & Remuneration Committee:

Our Board has constituted an Nomination and Remuneration Committee, vide Board Resolution dated March, 29, 2024, as per the applicable provisions of Section 178 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendments, modifications or re-enactment thereof, for the time being in force) (the “Companies Act, 2013”) and the rules made there under and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Committee comprises of:

Name of the Director	Status in the Committee	Nature of Directorship
Mr. Rohit Kumar (DIN: 10515418)	Chairperson	Non-Executive Independent Director
Mr. Sachin Kumar (DIN: 09233592)	Member	Non-Executive Independent Director
Mr. Gaurav Bajpai (DIN: 02291802)	Member	Non-Executive Independent Director

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

The Nomination and Remuneration Committee has following roles:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of 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.

C. Stakeholder Relationship Committee:

Our Board has constituted an Stakeholder's Relationship Committee, vide Board Resolution Dated, March, 29, 2024, as per the applicable provisions of Section 178 (5) and other applicable provisions, if any, of the Companies Act, 2013 (including any amendments, modifications or re-enactment thereof, for the time being in force) (the "Companies Act, 2013") and the rules made there under and Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR Regulations). The Stakeholder's Relationship Committee comprises of:

Name of the Director	Status in the Committee	Nature of Directorship
Mr. Rohit Kumar (DIN: 10515418)	Chairperson	Non-Executive Independent Director
Mr. Sachin Kumar (DIN: 09233592)	Member	Non-Executive Independent Director
Mr. Gaurav Bajpai (DIN: 02291802)	Member	Non-Executive Independent Director

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non- receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and

- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

Certified True Copy

For **ENVIROTECH SYSTEMS LIMITED**

Envirotech Systems Limited

Director

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MANOJ KUMAR GUPTA

Director (DIN: 01187138)

Address: C-7, Kendriya Vihar, Sector-51,
Noida, G B Nagar, Uttar Pradesh -201307

Date: 29.03.2024