

**GUIDELINES ON CODE OF CONDUCT FOR CERTIFIED ENVIRONMENT  
AUDITORS (CEAs) AND REGISTERED ENVIRONMENT AUDITORS (REAs)**  
**(Issued by the Central Government under sub-rule (1) of rule 11 read with  
rule 18 of the Environment Audit Rules, 2025)**

## **1. Background**

In pursuance of sub-rule (1) of Rule 11 of the Environment Audit Rules, 2025, every Certified Environment Auditor (CEA) and Registered Environment Auditor (REA) shall adhere to the Code of Conduct prescribed herein while undertaking environment audits under the Environment Audit framework.

The Code of Conduct is intended to ensure integrity, independence, professionalism, confidentiality, transparency and accountability in the discharge of responsibilities under the Environment Audit Rules, 2025.

This Code of Conduct is issued by the Central Government in exercise of the powers conferred by sub-rule (1) of rule 11 of the Rules. The Environment Audit Designated Agency (EADA) shall be responsible for the implementation, monitoring and enforcement of this Code and may, under clause (ix) of rule 5 of the Rules, specify supplementary procedures and standards for the purpose, provided that no such procedure or standard shall be inconsistent with this Code or the Rules.

## **2. Definitions and Application**

- i. In this Code, "Act", "Rules", "CEA", "REA", "EADA" and "environment audit" shall have the meanings respectively assigned to them in the Environment Audit Rules, 2025 and in the Guidelines for Certification and Registration of Environment Auditors through Recognition of Prior Learning (RPL); and "associated person", in relation to a CEA or REA, means any person referred to in clause (i) of sub-rule (1) of rule 12 of the Rules.
- ii. This Code shall apply to every CEA and REA and, so far as may be, to every person deployed by an REA Firm on an audit team, including any team member engaged under the Guidelines for Certification and Registration. The REA Firm shall be responsible for ensuring compliance with this Code by every member of its audit team.
- iii. This Code is in addition to, and not in derogation of, the obligations imposed by the Act, the Rules and any other law for the time being in force.

## **3. Professional Conduct**

(1) Every CEA and REA shall—

- i. maintain the highest standards of integrity, impartiality and professional ethics;
- ii. perform assignments in a fair, objective and transparent manner;
- iii. exercise due diligence and professional judgment while conducting audits and preparing reports;

- iv. comply with the provisions of the Environment Audit Rules, 2025, applicable environmental laws, regulations, guidelines and directions issued by the Central Government or EADA from time to time;
- v. refrain from any act that may compromise the credibility of the environmental audit process;
- vi. not solicit audit assignments from any project proponent or auditee, directly or indirectly, and not advertise or hold out any assurance of a particular audit outcome;
- vii. not assign or otherwise transfer an audit assignment allotted under rule 13 of the Rules, whether in whole or in part, to any person who is not a CEA or REA, except to the extent expressly permitted by the Guidelines for Certification and Registration; and
- viii. sign an audit report only where the audit has been conducted physically or supervised by the CEA or REA so signing.

(2) In terms of sub-rule (2) of rule 11 of the Rules, misrepresentation, suppression, concealment, falsification, or any other form of distortion of facts or data during the discharge of responsibilities under the Rules shall be deemed to be professional misconduct.

#### **4. Accuracy and Reporting**

CEAs and REAs shall—

- i. ensure that audit findings, conclusions and recommendations are based on verifiable evidence;
- ii. report all material observations, risks and non-compliances accurately and objectively;
- iii. not suppress, conceal, manipulate, misrepresent or falsify any information, data, records or findings;
- iv. maintain adequate records and supporting documentation relating to audit assignments.
- v. submit the Environment Audit Report within the timelines specified by EADA and, where the report cannot be so submitted, record and communicate the reasons to EADA before the expiry of the timeline; and
- vi. bring to the notice of EADA, at the earliest, any attempt by the auditee or any interested party to influence, obstruct or interfere with the conduct of the audit.

#### **5. Confidentiality**

- i. CEAs and REAs shall maintain strict confidentiality of all information obtained during the course of assignments, including all information relating to the project and the project proponent, and shall not disclose any information to unauthorized persons except where required by law or authorized by EADA; and shall not use any such information for personal gain or for the benefit of any third party.

- ii. The obligation of confidentiality shall survive the completion, termination or abandonment of the assignment and shall continue notwithstanding the expiry, suspension or revocation of the certification or registration.
- iii. Any unauthorised disclosure of such confidential information shall be treated as professional misconduct in terms of Rule 11 of the Rules.
- iv. Nothing in this paragraph shall restrict the disclosure of any information to the Central Government, EADA, the Central Pollution Control Board, a State Pollution Control Board or a Pollution Control Committee, or to any court, tribunal or authority acting under any law for the time being in force.

## **6. Conflict of Interest**

1. In accordance with Rule 12 of the Environment Audit Rules, 2025, CEAs and REAs shall maintain independence and avoid actual, potential or perceived conflict of interest. Accordingly, they shall not—
  - i. undertake audits where they have any direct or indirect personal, professional or financial interest;
  - ii. audit projects for which they or their organization have provided consultancy, assessment or related services forming part of the subject matter of audit.
  - iii. accept any gift, hospitality, commission, favour or other benefit from the auditee or interested parties;
2. Prior to the commencement of an audit assignment, the REA shall furnish to EADA, in the form specified under sub-rule (2) of rule 12 of the Rules, a self-declaration confirming the absence of any conflict of interest in respect of the assignment. Such declaration shall form part of the audit records.
3. An REA shall not accept, and shall not permit any entity under its control to accept, any consultancy or advisory assignment from the auditee in relation to the audited project, activity or process for a period of two years from the date of submission of the Environment Audit Report.
4. Where a conflict of interest arises or comes to notice after the allocation of an assignment, the REA shall forthwith inform EADA and shall not proceed further with the audit, and EADA shall re-allocate the assignment in accordance with rule 13 of the Rules.

## **7. Disciplinary Action**

- i. EADA shall examine the complaints received by them on conduct violations or breaches attributable to a CEA or REA and may seek clarification or supporting information, as considered necessary. EADA shall, in exercise of the powers under clause (viii) of rule 5 of the Rules, dispose of complaints received by them and may, after affording an opportunity of being heard, issue an advisory or a written warning, direct rectification or re-performance of the audit at the cost of the REA, withhold allocation of fresh assignments, or withhold in whole or in part the audit cost payable for the assignment concerned. Where EADA is

of the view that the misconduct warrants debarment, or suspension or revocation of certification or registration, it shall submit its findings and recommendations to the Central Government for action under sub-rule (4) of rule 11 of the Rules within period of three months.

- ii. Without prejudice to action under any applicable law, violation of this Code may result in warning, suspension, revocation of certification or registration, temporary or permanent debarment, or any other action as deemed appropriate by the Central Government in accordance with Rule 11 of the Environment Audit Rules, 2025.
- iii. EADA shall maintain a register of complaints and action taken.
- iv. Nothing contained herein above shall preclude Central Government from taking any disciplinary action, as deemed appropriate against any CEA or REA directly.
- v. A complaint shall ordinarily be disposed of by EADA within ninety days of its receipt, and the complainant and the CEA or REA concerned shall be informed of the outcome.

## **8. Opportunity of being heard**

A reasonable opportunity of being heard shall be given to CEA or REA in accordance with the principles of natural justice and the provisions of the Environment Audit Rules, 2025 before any action is taken.

## **9. Savings and interpretation**

This Code shall be read in conjunction with the Environment (Protection) Act, 1986, the Environment Audit Rules, 2025 and the guidelines issued thereunder. In the event of any inconsistency between this Code and the Act or the Rules, the provisions of the Act and the Rules shall prevail. If any question arises relating to the interpretation of this Code, the decision of the Central Government thereon shall be final, in terms of rule 17 of the Rules.

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