ISGEC HEAVY ENGINEERING LTD.

A-4, Sector-24,
Noida - 201 301 (U.P.) India
(GST No.: 09AAACT5540K2Z4)
Tel.: +91-120-4085000 / 01 / 02
Fax: +91-120-4085100
www.isgec.com

Ho- 463

Dated: March 18, 2019

Mrs. Shivani Hazari
H. No. D-910, New Friends Colony,
Delhi-110025

Dear Madam,

APPOINTMENT AS AN INDEPENDENT DIRECTOR

1. The Shareholders by way of Postal Ballot on March 16, 2019, were pleased to appoint you as Independent Director of the Company for a term until the conclusion of Annual General Meeting to be held in year 2023 to consider the Accounts for the financial year March 31, 2023.

2. A copy of the Resolution passed by Shareholders through Postal Ballot Process is enclosed for your information and record.

3. As an Independent Director of the Company you will be entitled to following remuneration:-

   (a) Board Meeting Fee: Rs. 1,00,000/- (Rupees One Lakh only) for each meeting to be attended.

   (b) TA & DA for attending the Board Meeting outside your Headquarter.

   (c) Commission: Rs. 25,000/- (Rupees Twenty Five Thousand only) per annum, subject to commission payable to all Non-Executive Director shall not exceed 1% of the Net Profit for the financial year.

4. As an Independent Director you are required to abide by the provisions specified in paragraphs I, II & III of Schedule-IV of the Companies Act, 2013, with regard to professional conduct, rules and functions and duties. A copy of paragraphs I, II & III of Schedule-IV is enclosed for ready reference.

5. In accordance with the Companies Act, 2013, Independent Directors are required to hold at least one meeting in a financial year. The meeting shall review:-

   (a) The performance of non-independent directors and the Board as a whole;

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(b) The performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;

(c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

By Order of the Board

S.K. Khorana
Executive Director & Company Secretary
Membership No. F-1872
Address: B-83, Sector-56, Noida -201 301 (U.P)

Encl: Certified copy of Resolution;
Copy of paragraphs I, II & III of Schedule –IV of the Companies Act, 2013.

SCHEDULE IV

I. Guidelines of professional conduct :

An independent director shall :

(1) uphold ethical standards of integrity and probity;
(2) act objectively and constructively while exercising his duties;
(3) exercise his responsibilities in a bona fide manner in the interest of the company;
(4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
(5) 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;
(6) 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;
(7) refrain from any action that would lead to loss of his independence;
(8) where circumstances arise which make an independent director lose his independence, in the independent director must immediately inform the Board accordingly;
(9) assist the company in implementing the best corporate governance practices.

II. Role and functions :

The independent directors shall :

(1) help in bringing an independent judgment to bear on Board's Deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standard of conduct;
(2) bring an objective view in the evaluation of the performance of board and management;
(3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
(4) satisfy themselves on the integrity of financial information and the financial controls and the systems of risk management are robust and defensible;
(5) safeguard the interests of all stakeholders, particularly the minority shareholders;
(6) balance the conflicting interest of stakeholders;
(7) 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;

(8) moderate and arbitrate in the interest of the company as a whole , in situations of conflict between management and shareholder's interest.

III. Duties :

The independent directors shall :

(1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;

(2) 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;

(3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;

(4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;

(5) strive to attend the general meetings of the Company;

(6) 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;

(7) keep themselves well informed about the company and the external environment in which it operates;

(8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

(9) 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;

(10) 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;

(11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;

(12) act within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

(13) 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.

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Copy of Resolution passed by the Shareholders of Isgec Heavy Engineering Limited by way of Postal Ballot on March 16, 2019.

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act and Regulation 16 (1) (b) and 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force) Ms. Shivani Hazari (DIN: 00694121), who was appointed as an Additional Director (Independent) by the Board of Directors at its meeting held on February 09, 2019, in terms of Section 161(1) of the Act and who has submitted a declaration that she meets with the criteria of independence as provided in Section 149 (6) of the Act, be and is hereby appointed as an Independent Director to hold the office until the conclusion of Annual General Meeting to be held in year 2023 to consider the Accounts for the financial year March 31, 2023 and she shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

Certified to be true copy

(S. K. Khorana)
Executive Director & Company Secretary
Membership No. FCS-1872
Address: B-83, Sector-56, Noida-201301, U.P.