



DRAFT

Ref: Ho-463

Dated:

Email id.: cs@isgpec.co.in

To,
Ms. Rashi Sikka
DIN: 00320145
B-5/11, Safdarjang Enclave
Delhi-110029

Dear Ma'am,

RE-APPOINTMENT AS AN INDEPENDENT DIRECTOR

1. The Shareholders in the Annual General Meeting held on August 28, 2024, were pleased to re-appoint you as an Independent Director of the Company for a second term of 5 (Five) consecutive years with effect from the May 28, 2025 up to and including May 27, 2030 and that she shall not be liable to retire by rotation.
2. A copy of the Resolution passed at the Annual General Meeting 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) Committee Meeting Fee: Rs.10,000/- (Rupees Ten Thousands only) for each meeting to be attended.
 - (c) TA & DA for attending the Board Meeting outside your Headquarter.
 - (d) Commission: Maximum of Rs.2,50,000/- (Rupees Two Lakhs Fifty Thousands only) for each meeting to be attended, 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. As an Independent Director you are required to abide by the provisions as specified in Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations) and the SEBI (Prohibition of Insider Trading) Regulations, 2015.



6. 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;
 - (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 of
Isgec Heavy Engineering Limited**

**Sachin Saluja
Company Secretary & Compliance Officer**

Encl: Copy of paragraphs 1, 2 & 3 of Schedule IV of Companies Act, 2013 and Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and code of conduct for all Board Members as per the SEBI (Prohibition of Insider Trading) Regulation, 2015



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 judgement 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 all meetings of the Board of Directors and of the Board committees of which he is a member;
- (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) acting within his 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.



Certified True Copy of the Resolution passed by the Shareholders of Isgec Heavy Engineering Limited in its Annual General Meeting held on Wednesday, August 28, 2024 at 11:00 a.m. (IST) through Video Conferencing facility

“RESOLVED AS A SPECIAL RESOLUTION THAT Mrs. Rashi Sikka (DIN: 00320145), who was appointed as an Independent Director by the Members in the Annual General Meeting of the Company held in year 2022 for a first term, with effect from May 28, 2022 up to and including May 27, 2025, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 (“the Act”) from a member proposing her candidature for the office of an Independent Director and who meets with the criteria of Independence as provided under Section 149 of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for re-appointment and is recommended by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee, for the office of an Independent Director, be and is hereby re-appointed, in accordance with Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the corresponding rules framed thereunder, as an Independent Director for a second term of 5 (Five) consecutive years with effect from May 28, 2025 up to and including May 27, 2030 and that she shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto.”

Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons

(As per Regulation 9(1) of the Securities and Exchange Board of India
(Prohibition of Insider Trading) Regulations, 2015 (“Regulations”) read with
Schedule B of the Regulations.)
(As approved by Board of Directors)

1. Application:

This Code of Conduct has been prepared by adopting the standards set out in Schedule B of the Regulations in order to regulate, monitor and report trading by Designated Persons and immediate relatives of Designated Persons towards achieving compliance with the Regulations.

2. “Designated Persons”

2.1 Meaning:

- (i) Members of the Board of Directors;
- (ii) Promoters of the Company;
- (iii) Managing Director, Chief Financial Officer, Company Secretary and Chief Financial Officer and Company Secretary of the Subsidiary Companies, Associate Companies and Joint Venture Companies;
- (iv) Auditors of the Company;
- (v) All employees of the Central Accounts and Finance, Internal Audit, Secretarial Department and supporting staff working in IT department at A-4, Sector -24, Noida-201301, U.P.;
- (vi) Secretaries/Executive Assistants reporting to the Chairman or the Managing Director/Whole Time Director/Chief Financial Officer/ Company Secretary of the Company;
- (vii) All Business Heads and Unit Heads of the Company and its material subsidiaries;
- (viii) Employees up to two levels below the Managing Director and its material subsidiaries irrespective of their functional role in the company or ability to have access to **Unpublished Price Sensitive Information (UPSI)**; - See last page
- (ix) Such other person as may be identified by the Compliance officer; and
- (x) Immediate relatives of above Designated Persons:
Immediate relative means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person or consults such person in taking decisions relating to trading in securities.

2.2 Compliances by Designated Persons:

- (i) Designated Persons shall require to disclose Name and PAN or any other identification number like Aadhar card number, passport number (in case of foreigner) of following persons to the Company on an annual basis and as and when the information changes:

- Immediate relatives;
- Persons with whom such designated person(s) shares a material financial relationship;
- Phone number, Mobile Number which are used by them;

“Material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment equivalent to at least 25% of such payer’s annual income during immediately preceding twelve months exclude relationship in which payment made at arm’s length basis.

Designated Persons shall also disclose on a one time basis following information to the Company:

- Name of educational institutions from where designated persons graduated;
- Name of past employers of designated persons.

(ii) The Designated Persons, who have possession of **UPSI** on the basis of their duties and responsibilities, as and when require, and then they trade in Securities in contravention to provision of this Code or SEBI regulations, shall be liable for disciplinary actions, including wage freeze, suspensions and recovery claw back, etc., as may be decided by the Board of Directors of the Company.

(iii) The compliance officer shall report trading in securities of the Company by designated persons and their immediate relatives on quarterly basis to the

- Board of directors, and
- Chairman of the Audit Committee

3. Code of Conduct:

(i) All the persons covered under the Code shall handle **UPSI** within the organization on need to know basis. They will not communicate this information to any person except in furtherance of their legitimate purposes, performance of duties or discharge of legal obligations. In case of doubt, they will approach the Compliance Officer for permission to communicate the **UPSI**.

(ii) Designated Persons and their immediate relatives shall not deal in the securities of the company when the Trading Window is closed. Trading window is the period during which the persons covered under the Code cannot deal in securities of the Company. The Trading Window shall be closed seven days before and shall remain closed for three days from the disclosure of the **UPSI other than Financial Results**. For example, if the UPSI other than Financial Results are to

be disclosing on 26th May, the Trading Window will be closed from 19th May to 29th May.

Trading Window shall be closed from the end of every quarter till 48 hours after the declaration of financial results.

- (iii) The covered persons can trade when the Trading Window is open with the pre-clearance from the Compliance Officer. The pre-clearance will be given by the Compliance Officer on receipt of prior declaration from applicant to the effect that the applicant is not in possession of any **UPSI**, accordingly complete details regarding transaction such as number of shares to be bought or sold, shares already held, shares to be held after transaction, whether the transaction is through Stock Exchange or through negotiation, consideration if through negotiation.
- (iv) The permission to trade when the Trading Window is opened will not be required if the value of shares traded in one or more transactions over any calendar quarter does not exceed Rs. 10 lakh.
- (v) Designated Persons and their immediate relatives who is permitted to trade shall not execute a contra trade i.e. enter into an opposite transaction during the next 6 (six) months following the prior transaction (“contra trade”).

The Compliance Officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations.

- (vi) If in any case company found that there has been a violation of these Regulations it shall inform to SEBI promptly.

4. Compliance Officer:

Mr. Sachin Saluja, Company Secretary, will be the Compliance Officer for the purpose of the Code of Conduct.

Unpublished price sensitive information (UPSI) means any information, relating to 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 include but not be restricted to, information relating to the following:

- (i) Financial results;
- (ii) Dividend;
- (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;

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- (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;
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