

ISGEC HEAVY ENGINEERING LIMITED
Regd. Office: Radaur Road, Yamunanagar-135001, Haryana.
CIN: L23423HR1933PLC000097

Dated: September 15, 2022

Proceedings of the 89th Annual General Meeting of the Shareholders of Isgec Heavy Engineering Limited held on Wednesday, August 24, 2022 at 11:30 a.m. (IST) through Video Conferencing (VC) at the Registered office of the Company situated at Radaur Road, Yamunanagar-135001, Haryana (Deemed Venue of the Meeting).

Present through video Conferencing/ Other Audio Visual Means:

DIRECTORS:

Mr. Ranjit Puri	:	Chairman & Non-Executive Director- Chairman Stakeholders Relationship and Grievances Committee and Corporate Social Responsibility Committee
Mr. Aditya Puri	:	Managing Director- Member Audit Committee, Corporate Social Responsibility Committee and Risk Management Committee
Mr. Vishal Kirti Keshav Marwaha	:	Independent Director - Chairman Audit Committee and Member of Nomination and Remuneration Committee and Stakeholders Relationship and Grievances Committee
Mr. Sidharth Prasad	:	Independent Director- Chairman Risk Management Committee, Nomination and Remuneration Committee and Member of Stakeholders Relationship and Grievances Committee and Audit Committee;
Mr. Arvind Sagar	:	Independent Director- Member Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship and Grievances Committee;
Mrs. Rashi Sikka	:	Independent Director- Member Stakeholders Relationship and Grievances Committee;
Mr. Sanjay Gulati	:	Whole-Time Director & Head - Manufacturing Units and Member of Risk Management Committee;

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Units and Member of Risk Management
Committee;

Mr. Kishore Chatnani : Whole-time Director and Chief Financial
Officer;

MEMBERS:

99 (Ninety Nine) Members
including 5 (Five) Promoters
were present in person.

COMPANY OFFICER:

Ms. Shweta Agrawal : Company Secretary;

AUDITORS:

Mr. Abhinav Khosla : Representatives of M/s. SCV & Co., LLP,
Statutory Auditors;

Mr. Pramod Kothari : Representative of Pramod Kothari & Co.,
Secretarial Auditor;

SCRUTINIZER:

Mr. Pramod Kothari : Practicing Company Secretary;

CHAIRMAN:

Mr. Ranjit Puri, Chairman, took the Chair.

QUORUM:

As per the attendance registered for the meeting by National Securities Depository Limited (NSDL), 99 Members (including 3 promoter, 2 promoter group) were present through VC. Pursuant to Circular No. 14/2020 issued dated April 08, 2020 by the Ministry of Corporate Affairs (MCA), the facility for appointment of proxy for the AGM was not provided to the Members. Accordingly, there was no proxy present at the meeting.

1. The Statutory Registers and other records as required under the Companies Act, 2013, were available for inspection.
2. The meeting commenced at 11:30 a.m. (IST). Mr. Ranjit Puri, Chairman, chaired the Meeting

3. and on requisite quorum being present, called the Meeting to order.
4. The Chairman commenced the meeting by welcoming the members to the 89th Annual General Meeting (AGM) of the Company.
5. The Chairman introduced the Board of Directors, Key Managerial Personnel, Auditors and other persons to the Members.
6. The Chairman informed that in view of the restrictions due to outbreak of COVID-19 and considering the social distancing norms, the AGM was being conducted through the Audio Video means.
7. The Chairman further informed that the Company had taken all steps to ensure that the Shareholders were able to attend and vote at this AGM in a seamless manner
8. The Company Secretary informed the Members that the Report of Board of Directors, Auditors Report, the financial statement for the financial year ended March 31, 2022 and the Notice convening the 89th AGM were taken as read as the same had already been circulated to the Members through e-mail.
9. The Chairman further informed the Members that pursuant to the provisions of the Companies Act, 2013, Rules framed there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had extended facility of remote e-voting and voting at AGM to the Members of the Company in respect of the resolutions to be passed at the Meeting. The remote e-voting commenced on Sunday, August 21, 2022 at 9:00 a.m. (IST) and ended on Tuesday, August 23, 2022 at 05:00 p.m. (IST). The Chairman informed the Members that the facility for e-voting shall be available fifteen minutes at the end of the meeting, for Members who had not cast their vote through e-voting prior to the Meeting.
10. The Statutory Auditors, viz., M/s. SCV & Co. LLP, Chartered Accountants, and Mr. Promod Kothari, Secretarial Auditors, have expressed unqualified opinions in their respective reports for the financial year 2021-22. Since there are no qualifications, observations, or adverse comments on the financial statements and matters which have any material bearing on the functioning of the Company, the said reports are not required to be read at this meeting.
11. The Chairman then requested Mr. Aditya Puri, Managing Director to brief about working of the Company.
12. Mr. Aditya Puri, Managing Director shared his views on key highlights for financial year 2021-22 and working of the Company. A Copy of excerpt from his speech is enclosed as Annexure-I.
13. Thereafter, the duly registered speaker shareholders were invited, to speak and ask questions, if any. Moderator informed that the registered speaker shareholders have not joined the meeting.

Thereafter, the Chairman requested Mr. Pramod Kothari, Practicing Company Secretary, the Scrutinizer, for the orderly conduct of the e-voting.

The Chairman further informed that the consolidated voting results along with the Scrutinizer's Report will be placed on the website of the Company at www.isgce.com and on the website of the BSE Ltd., the National Stock Exchange of India Limited and NSDL within 2 working days from the conclusion of the meeting as required by law.

Ms. Shweta Agrawal, Company Secretary thanked all the Members, Chairman, Managing Director, other Directors, and Auditors for their participation in the meeting.

The meeting concluded at 12:03 p.m. (IST) after being open for 15 minutes for e-voting.

Results of Voting

On the basis of the Scrutinizer's Report dated August 26, 2022, the declared results of e-voting are as under:-

Resoluti on No.	Description of Resolution	Votes Polled	Votes in Favour		Votes Against	
			No. of Shares	(%)	No. of Shares	(%)
1.	<u>Ordinary Resolution:</u> Consideration and Adoption of the Audited standalone Financial Statements of the Company for the financial year ended March 31, 2022, together with the reports of the Board of Directors and Auditors thereon;	59836160	59836146	100	14	0.00
2.	<u>Ordinary Resolution:</u> Consideration and Adoption of the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the reports of the Auditors thereon.	59836160	59836146	100	14	0.00
3.	<u>Ordinary Resolution:</u> To declare Dividend of Rs. 2/- per Equity share of Re. 1/- each, as recommended by the Board of Directors, for the financial year ended March 31, 2022.	59837185	59837171	100	14	0.00
4.	<u>Ordinary Resolution:</u> To appoint a Director in place of Mr. Kishore Chatnani (DIN No. 07805465), who retires by rotation and being eligible, offers himself for re-appointment.	59841235	59835964	99.99	5271	0.01

5.	<u>Ordinary Resolution:</u> To re-appoint M/s. SCV & Co. LLP, Chartered Accountants as Statutory Auditors of the Company for the second term of five (5) consecutive years, from the conclusion of this 89th Annual General Meeting till the conclusion of the 94th Annual General Meeting to be held in the year 2027, at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.	59837185	59837032	100	153	0.00
6.	<u>Special Resolution:</u> To appoint Mrs. Rashi Sikka (DIN: 00320145) as an Independent Director of the Company.	59841735	58343701	97.50	1498034	2.50
7.	<u>Ordinary Resolution:</u> To ratify remuneration of the Cost Auditors for the financial year ending March 31, 2023.	59841735	59836711	99.99	5024	0.01

All the resolutions as set out in the Notice of AGM, were duly approved by the Members with requisite majority and are recorded hereunder as part of the proceedings of the AGM.

As Ordinary Business:

Resolution No. 1:

Consideration and Adoption of Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, the reports of the Board of Directors and Auditors thereon:

“RESOLVED THAT, the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, together with reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted.”

Resolution No. 2:

Consideration and Adoption of Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 the reports of the Auditors thereon:

“RESOLVED THAT, the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with Report of the Auditors thereon be and are hereby received, considered and adopted.”

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Resolution No. 3:

Declaration of Dividend of Rs. 2/- per Equity Share of Re. 1/- each for the financial year ended March 31, 2022:

“RESOLVED THAT dividend of Rs. 2/- per equity share of Re.1/- each, as recommended by the Board of Directors, for the financial year ended March 31, 2022 be and is hereby declared and be paid to the shareholders.”

Resolution No. 4:

Appointment of a Director in place of Mr. Kishore Chatnani (DIN: 00052459), who retires by rotation and being eligible, offers himself for re-appointment.

“RESOLVED THAT Mr. Kishore Chatnani (DIN: 07805465), Director, retiring by rotation, be and is hereby re-appointed.”

Resolution No. 5:

Re-appointment of Statutory Auditors:

“RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of the Audit Committee and the Board of Directors, M/s. S C V & Co. LLP, Chartered Accountants, having Firm Registration No. 000235N/N500089, be and are hereby re-appointed as the Statutory Auditors of the Company for the second term of five (5) consecutive years, from the conclusion of this 89th Annual General Meeting till the conclusion of the 94th Annual General Meeting to be held in the year 2027, at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.”

As Special Business:

Resolution No. 6:

Special Resolution:

Appointment of Mrs. Rashi Sikka (DIN: 00320145) as an Independent Director of the Company:

“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 (including any statutory modifications or re-enactments thereof for the time being

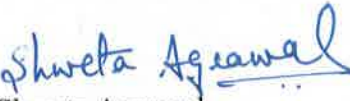
in force) read with Schedule IV to the Act and Regulation 16 (1) (b), 17 and 25 (2A) of the SEBI (Listing Obligations and Disclosure Requirements) (“SEBI (Listing Regulations”) , Mrs. Rashi Sikka (DIN: 00320145), who, on the recommendation of the Nomination and Remuneration Committee, was appointed as an Additional Director (Independent) by the Board of Director at its meeting held on May 28, 2022, in terms of Section 161 (1) of the Act and whose term of office expires at this Annual General Meeting (AGM) and in respect of whom the Company has receive notice in writing, under Section 160 of the Act, proposing her candidature for the office of Director and who has submitted a declaration that she meets with the criteria of independence as provided in Section 149 (6) of the Act and Regulation 16 (1) (b) of SEBI (Listing Regulations), be and is hereby appointed as an Independent Director of the Company to hold the office for a term of 3 (Three) years with effect from May 28, 2022 up to and including May 27, 2025 and that she shall not be liable to retire by rotation.”

Resolution No. 7:

Ordinary Resolution:

Ratification of remuneration of the Cost Auditors for the financial year ending March 31, 2023:

“RESOLVED THAT, pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modifications or re-enactments thereof for the time being in force, the Company hereby ratifies the remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) plus out-of-pocket expenses incurred in connection with the audit, as approved by the Board of Directors, payable to M/s Gopinathan Mohandas & Co., Cost Accountants (Firm Registration Number: 101499) who are appointed by the Board of Directors as Cost Auditors, to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2023.”


Shweta Agrawal
Company Secretary


Ranjit Puri
Chairman
DIN: 00052459

Mr. Aditya Puri, Managing Director briefed about working of the Company.

Good morning ladies and gentlemen!

1. We welcome you all to 89th Annual General Meeting of the Company. This is the Third Annual General Meeting ('AGM') being held through Video Conferencing ('VC').
2. For the information of the Shareholders I will give a short introduction about our business.

We are a diversified heavy engineering company engaged in manufacturing and project businesses. We manufacture process plant equipment, presses, industrial machinery and iron and steel castings. We execute turnkey projects for setting up boilers, power plants, air pollution control equipment, sugar plants, distilleries, factories, and bulk material handling facilities. We have also developed strength in construction.

We address the requirements of a wide spectrum of industries mainly power, fertilizer, sugar, and distilleries, oil and gas, automobile components, steel, cement, chemicals, railways, and defense. We have customers and projects spread across 91 countries. Our presence across multiple industries and geographies helps us to spread any sectoral or geographical risk.

3. During the year under report, the working and operations were adversely affected, firstly due to the second wave of Covid-19 in the first quarter (April – June 2021), and again due to the third wave of Covid-19 in the last quarter (January – March 2022).
4. While all factories were working normally, Engineering, Procurement and Constriction (EPC) business offices at Noida were closed for 6 weeks in the first quarter and for about 10 days in January 2022, Besides these, EPC Design offices at Pune and Chennai were also closed for a few weeks. Before and after the closure, until normalcy returned, offices were working with 50% to 70% attendance while balance employees were working from their home.

During the second wave, as per Government directives, oxygen was diverted for medical purposes causing scarcity of oxygen in our own manufacturing facilities, vendors' workshops, and project sites, resulting in some production losses, till 31st May 2021.

5. Financial year 2021-22 has been a mixed bag. There was increase in revenue during the year. The profitability was, however, lower due to steep increase in the prices of commodities such as steel, copper, aluminum and nickel and time and cost overruns in EPC projects due to impact of covid-19 related disruptions, coupled with some shortages of skilled manpower, sharp increase in freight costs, both for the purchase of material and supply of goods to customers.
6. The total consolidated revenue for FY22 at Rs.5,512 crores is higher as compared to Rs.5,477 crores in FY21.
7. The consolidated EBITDA for FY22 at Rs.325 crores is 36% lower, as compared to Rs. 507 crores for FY21.

8. The overall demand trends were encouraging. Many new orders have been booked from sectors such as Railways, Power (with orders being placed for Boilers, Air Pollution Control Equipment, and Waste to Energy Units), Water, Process Industry, Construction, Fertilizer, Cement, Refinery, Steel, Sugar, Ethanol, Chemicals, Food, Oil & Gas, Renewables, Automotive, Refractory, Mining, Soda Ash, Paper, and Tool & Die. We have also increased our focus on booking more orders for the Operation and Maintenance of Power Plants and Distilleries and have booked good orders.
9. Order booking during the financial year 2021-22, as well as during the first quarter of the current financial year has been very good. Standalone orders in hand as on 30th June 2022 are Rs.6690 crores, against Rs.7284 crores on the same date in the previous year. These are equal to about 18 months billing. In fact, we are being selective in booking orders. We have been notifying the announcements regarding booking of important orders on the websites of the Bombay Stock Exchange and the National Stock Exchange.
10. The consolidated orders in hand as on 30th June 2022 are Rs.7736 crores, against Rs.7924 crores on the same date last year.
11. Regarding Cavite Biofuel Producers Inc. in the Philippines, we have started construction of the Plant and expect to complete it by July 2023. We think that it is a good business and will be profitable to run, although we will keep open our options to sell the Plant, if we get a suitable offer.
12. The 100 KLPD Ethanol Plant at the Saraswati Sugar Mills was commissioned during the year. It commenced commercial production with effect from 22nd December 2021. The working of the Plant has been good and it has been operating at 100% capacity.
13. All other Joint Venture Companies and Subsidiary Companies are working satisfactorily.
14. In general, we continue to be optimistic about Isgec's overall positioning in the market, and with our exceptional engineering skills, a portfolio that is truly diverse, our strategic technology partnerships with leading global firms that help keep us abreast of the latest and most relevant gen-next technologies, extensive experience honed over decades, and the right quality of people, we believe we have an edge that will enable us to continue to focus on strengthening our financial metrics and in serving the community and people at large.
15. I thank you once again for your continued faith in Isgec and its management.
16. I wish you and your family members all the best.

Thanks!

