



ISL CONSULTING LIMITED

CODE OF CONDUCT

GENERAL CODE OF CONDUCT

The Corporate Governance Policy is the apex instrument guiding affairs of the Company and clearly defines the roles, responsibilities and authorities of the key people in the governance of the Company. This code forms an integral part of the Company's Governance Policy. As required under Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the following code of conduct is applicable and strictly followed by all the Members of the Board of Directors and Senior Management of the Company. Senior Management shall have same meaning as defined under Regulation 16(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

National Interest

The Company shall conduct its business affairs in accordance with the economic development and foreign policy objectives of the country and strive to make a positive contribution at the international, national and regional levels. It shall not undertake any activity that will have any adverse impact on the social and cultural life of the citizens.

Equal - Opportunities Employer

The Company provides equal opportunities to qualified applicants for employment, without regard to their race, caste, religion, colour, ancestry, marital status, sex, age, etc. Employees of the Company are treated with dignity and it maintains a work environment free of sexual harassment. Employees are encouraged to take additional responsibilities so to provide equal opportunity for upward mobility on merit-based system.

A Gender Friendly Workplace

The Company is committed to a gender friendly workplace. It provides equal opportunities for men and women; it institutes good employment practices; and abhors sexual harassment at the workplace. "Sexual harassment includes unwelcome physical contact,



demand or request for sexual favours, sexually coloured remarks, showing pornography, and any other unwelcome physical, verbal or non-verbal conduct of a sexual nature. The Company encourages employees to report any harassment and has instituted proper method to take appropriate action, when required."

Ethical Conduct

All Employees of the Company, including Members of the Board of Directors and Senior Management of the Company, shall deal on behalf of the Company with professionalism, honesty and integrity, as well as high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be as such by third parties.

Use of Company Assets

All assets of the Company, tangible and intangible, shall be employed for the purpose of conducting the business for which they are duly authorized. None of the assets of the Company should be misused or diverted for personal purpose.

Gifts and Donations

The Company shall neither receive nor offer or make, directly or indirectly, any illegal payments, remunerations, gifts, donations or benefits to obtain business or uncompetitive favours for the conduct of its business. However, nominal gifts for special events can be exchanged by employees provided the same is disclosed to the management immediately.

Government Agencies

The Company and its employees shall not offer or give any Company funds or property as donation to any government agencies or their representatives, directly or through intermediaries, in order to obtain any favourable performance of official duties.

Political Non - Alignment

The Company shall not publicly support any specific political party or candidate for political office. The Company shall not offer or give any company funds or property as donations to any specific political party, candidate or campaign. The employees are free to exercise their democratic rights on individual basis without implying, directly or indirectly, any involvement of the Company.

Citizenship

The officers and employees of the Company shall be free to pursue an active role in civic or political affairs as long as it does not adversely affect the business or interests of the Company.

Conflict of Interest

Any Director or Management Employee of the Company shall not engage in any business, relationship or activity, which might detrimentally conflict with the interest of the



Company. A conflict of interest, actual or potential, may arise when, directly or indirectly:

1. A person engages in a business relationship or activity with anyone who is party to a transaction with the Company.
2. A person derives benefit to any of his/her relatives by making or influencing decision relating to any transaction of the Company.
3. An independent judgment in the best interest of the Company cannot be exercised for personal reasons.
4. A person or his/her relatives investment in any Company which is an actual or potential competitor, supplier, customer, distributor, joint venture or other alliance partner of the Company (ownership of up to 1 per cent of the subscribed share capital of a publicly held company shall not ordinarily constitute a financial interest for this purpose).
5. A person conducts/influences business on behalf of the Company with a supplier or customer of whom his/her relative is a principal, officer or representative, resulting in a benefit to him/her or his/her relative.
6. A person awards benefits, such as increase in salary or other remuneration, posting, promotion or recruitment of a relative of an employee of the Company, where such an individual is in a position to influence the decision with regard to such benefits.
7. A person accepts gifts, donations, hospitality and/or entertainment beyond the customary level from existing or potential suppliers, customers or other third parties which have business dealing with the Company unless a full disclosure, in writing, has been made to the Company's management or the Board of Directors and approval received in writing.
8. A person accepts employment, a position of responsibility (such as a consultant or a director) or provides 'freelance' services to any other Company without approval of the Board of Directors of the Company.

Corporate Opportunities

An officer shall not exploit for his/her personal gain, opportunities that are discovered through the use of Company property, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board declines to pursue such opportunity. Representation The officers shall not write, appear or represent himself as the Company to any third party unless authorized by the Company in writing.

Cost Consciousness

All the directors and senior management employees of the Company should strive for optimum utilization of available resources. They shall exercise care to ensure that costs are reasonable and there is no wastage and ostentation in Company expenditure shall be avoided.



Integrity

Every officer and employee of the Company shall ensure the integrity of data or information furnished to the Company.

Transparency

All directors, officers and employees shall ensure that their actions in the conduct of business are totally transparent except where the need of business security dictate otherwise. Such transparency shall be brought about through appropriate policies, systems and processes including as appropriate, segregation of duties, tiered approval mechanism and involvement of more than one manager in key decisions and maintaining supporting records. Operations and activities shall be audited periodically to ensure transparency.

Confidentiality

All directors and management employees shall ensure that any confidential information gained in their official capacity is not utilized for personal profit or for the advantage of any other person. They shall not disclose in writing/verbal any facts, figures, information, trade secrets and/or confidential documents obtained during the course of business relationship with Company to any person/authority/organization/statutory body unless required by law and/or with specific written permission of the Company. They shall not provide any information either formally or informally to the press or to any other publicity media unless specifically authorized to do so. They shall adhere to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015

Intellectual Property Rights

All documents, processes, manuals, literature, systems etc. or any other intellectual property developed or created by the officers during the association with the Company are sole Intellectual Property of the Company.

Quality of Products and Services

The Company and its officers shall be committed to supply goods and services of the highest quality standards, backed by efficient after sales service consistent with the requirements of the customers to ensure their total satisfaction. The quality standards of the Company's goods and services shall meet the required national standards and the Company shall endeavor to achieve international standards.

Competition

The Company and its officers shall strive to establish and support a competitive, open market economy. Specifically, the Company shall not engage in activities, which generate or support formation of monopolies, cartels and similar unfair trade practices. The Company and its officers shall market the products and services of the Company on its own merits and shall not make unfair and misleading statements about the Company's or competitors'



products and services. Any collection of competitive information shall be made only in the normal course of business through legally permitted means.

Financial Reporting and Records

The Company and its officers shall prepare and maintain accounts of the Company's business affairs fairly and accurately in accordance with the generally accepted accounting and financial reporting standards. Internal accounting and audit procedures shall fairly and accurately reflect all of the Company's business transactions and disposition of assets. All required information shall be accessible to Company auditors and other authorized parties and government agencies. There shall be no willful omission of any transaction from the books and records, no advance income recognition, and no hidden bank account and funds.

Health, Safety and Environment

The Company and its officers shall strive to provide a safe and healthy working environment in the conduct of the business affairs of the Company, with all regulations regarding the preservation of the environment. The Company and its officers shall be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the production, use and disposal of any of its products and services on the environment.

Legal Compliances

All directors and officers of the Company shall ensure compliance with all the relevant laws and regulations affecting operations of the Company. They shall keep abreast of the affairs of the Company and be kept informed of the Company's compliance with relevant laws, rules and regulations. In the event that the implication of law is not clear, the course of action chosen must be supported by eminent legal counsel whose opinion should be documented. Violations of applicable governmental laws, rules and regulations may subject them to individual criminal or civil liability, as well as it may also subject the Company to civil or criminal liability or the loss of business.

Shareholders

The Company shall be committed to enhance shareholder value and comply with all regulations and laws that govern shareholders' rights. The Board of Directors of the Company shall duly and fairly inform its shareholders about all relevant aspects of the Company's business, and disclose such information in accordance with the respective regulations and agreements.

Securities Transactions and Insider Information

The officers and employees of the Company and his or her immediate family shall not derive any benefit or assist others to derive any benefit from the access to and possession of information about the Company, which is not in the public domain. The officers and employees of the Company shall not use or proliferate information which is not available to the investing public for making or giving advice on investment decisions on the securities



of the Company. Such insider information might include the following:

- Financial results of the Company including profits, earnings and dividends;
- Announcement of new product introductions or developments;
- Major supply and delivery agreements;
- Raising finances;
- Assets revaluations;
- Restructuring plans;
- Divestiture of businesses or business units;
- Investment plans;
- Expansion/new projects;
- Acquisition, amalgamation, merger or takeover;
- Issue of new securities or buy back of its own shares;

Duties of Independent Director

Pursuant to Section 149, 166 of the Companies Act, 2013 and rules thereto and Schedule IV of the Companies Act, 2013

A. Guidelines of Professional Conduct

An independent director shall;

- i. uphold ethical standards of integrity and probity
- ii. act objectively and constructively while exercising his duties;
- iii. Exercise his responsibilities in a bona fide manner in the interest of the company.
- iv. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- v. 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;
- vi. 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;
- vii. refrain from any action that would lead to loss of his independence;
- viii. where circumstances arise which make an independent director lose his



independence, the independent director must immediately inform the Board accordingly;

- ix. Assist the company in implementing the best corporate governance practices.

B. Role and functions

The independent directors shall;

- i. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- ii. bring an objective view in the evaluation of the performance of board and management;
- iii. scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- iv. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- v. safeguard the interests of all stakeholders, particularly the minority shareholders;
- vi. balance the conflicting interest of the stakeholders;
- vii. 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;
- viii. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

C. Duties

The independent directors shall;

- i. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- ii. 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;
- iii. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- iv. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- v. strive to attend the general meetings of the company;
- vi. 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;
- vii. keep themselves well informed about the company and the external environment in which it operates;
- viii. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- ix. 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;
- x. 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;
- xi. report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- xii. acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- xiii. 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.

D. Manner of appointment

- i. Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- ii. The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- iii. The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfills the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management.
- iv. The appointment of independent directors shall be formalized through a letter of appointment, which shall set out;
 - a. the term of appointment;
 - b. the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - c. the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - d. provision for Directors and Officers (D and O) insurance, if any;



- e. the Code of Business Ethics that the company expects its directors and employees to follow;
 - f. the list of actions that a director should not do while functioning as such in the company; and
 - g. the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- v. The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- vi. The terms and conditions of appointment of independent directors shall also be posted on the company's website.

E. Re-appointment

The re-appointment of independent director shall be on the basis of report of performance evaluation.

F. Resignation or removal

- i. The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- ii. An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- iii. Where the company fulfills the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

G. Separate meetings

- i. The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- ii. All the independent directors of the company shall strive to be present at such meeting;
- iii. The meeting shall;
 - a. review the performance of non-independent directors and the Board as a whole;
 - b. review 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.

H. Evaluation mechanism

The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

Reporting Concern

Every officer and employee of the Company shall promptly report to the management any violation of this code, or an event that could affect the business or reputation the Company.

Waivers

Any waiver of any provision of this Code of Conduct for a director, officer or employee must be placed for approval before the Company's Board of Directors and such waiver shall be granted in writing.

Violation

Any instance of violation of this Code of Conduct shall be brought to the attention of the immediate reporting authority or the Board of directors and shall be dealt with appropriately.
