

Familiarization of Independent Directors with the Company Policies as per revised clause 49 of the Listing Agreement

1. Profile of the company,:

Insilco Limited, a group company of Evonik Industries Germany, is one of the leading producers of precipitated silica in South Asia. The Company was incorporated in the year 1988 and commenced commercial production in January 1993. The Company's registered office and plant is situated at Gajraula, Uttar Pradesh. There are being held 73.11% Equity Shares of the Company with Evonik Degussa GmbH, Germany and the rest 26.89% Equity Shares are widely distributed among public. The Equity Shares of the Company are listed on the Bombay Stock Exchange.

2. Nature of the industry in which the company operates: The Company is a manufacturing Industry and is one of the leading producers of precipitated silica in South Asia.

3. Business philosophy & model of the company

Managing director is entrusted with substantial powers of management of the affairs of business as per directions of board of directors and guided by code of conduct and compliance to laws. The company is following these philosophies:

(i) Value creation for customers

As a company, we are committed to provide our internal and external customers products and services that always unequivocally meet the agreed quality standards. This is our declared goal and the measure of our actions.

We offer a complete package solution of product plus service. This is one of the reasons that many of our customers prefer to buy from us.

(ii) Certifications and Recognitions

To maintain our commitment to quality and continuous improvement, our quality certifications of ISO 9001: 2008 , ISO 14001: 2004 and HACCP are being periodically re-approved through regular audits by the accredited certification agencies.

(iii) Quality as a success factor

Within the scope of Total Quality Management (TQM), we are continuously striving to improve the quality of our products, services and processes.

Learning from the global best practices of our parent Evonik Industries, we offer the same to our customers. This is the most important factor that our customers value and continue to support us.

(iv) Procurement efficiency and supply chain

Procurement is a critical element in the value-chain. During the year, we integrated procurement with the overall supply-chain function at the plant to make it more efficient and part of a cross-functional team at the plant.

(v) Talent development

The key to any success is a motivated and committed workforce. With support from Evonik, we have been doing in-house skill development and training programs and also help our workforce to build a more customer - oriented approach.

4. Roles, rights, responsibilities of Independent Directors in the company:

Fiduciary Duties & Accompanying liabilities

You being an Independent Directors shall –

- a) undertake appropriate induction and regularly update and refresh your skills, knowledge and familiarity with the company
- b) 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
- c) meet criteria of Independence as per provisions of the Companies Act, 2013 and the Listing Agreement throughout your appointment in the Company.
- d) strive to attend all meetings of the Board of Directors and of the Board committees of which you are a member
- e) participate constructively and actively in the committees of the Board in which you are a member
- f) strive to attend the general meetings of the company
- g) where you have any concern 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 your concerns are recorded in the minutes of the Board meeting

- h) Ensure that you comply with all the provisions under Companies Act, 2013, Listing Agreement, Insider Trading Regulations, SEBI Laws, FEMA and any other statutory enactment for the time being in force
- i) Keep yourself well informed about the company and the external environment in which it operates
- j) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board
- k) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure yourself that the same are in the interest of the company
- l) ascertain and ensure that the company has an adequate and functional vigil mechanism and that the interests of a person who uses such mechanism are not prejudicially affected on account of such use
- m) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy
- n) act within your authority, assist in protecting the legitimate interests of the company, shareholders and its employees
- o) 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.
- p) abide by Company's Memorandum and Articles of Association, company's policies and procedures.
- q) be held liable under relevant provisions of the Companies Act, 2013 ('the Act'), rules made thereunder, Listing Agreement, SEBI Laws, FEMA or any other laws for the time being in force, for violation of your duties or provisions contained therein.

Role and functions:

You being an Independent Directors shall –

- a) 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;
- b) bring an objective view in the evaluation of the performance of board and management;
- c) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- d) satisfy yourself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- e) safeguard the interests of all stakeholders, particularly the minority shareholders;
- f) balance the conflicting interest of the stakeholders;
- g) 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;
- h) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

5. **Policies/ Rules and Regulations of the Company:** The Company has formulated following polices / Rules and Regulations for the smooth operations of the Company :
- (i) Personnel Policies & Procedures
 - (ii) Purchase Policies & Procedures
 - (iii) Quality Policies & Procedures
 - (iv) Maintenance Policies & Procedures
 - (v) Issue of Material, Stores, Consumables, Spares & Equipment
 - (vi) Handling, Storage & Delivery of finished Products
 - (vii) Physical verification of inventory
 - (viii) Monitoring expiration of shelf life items
 - (ix) Schedule of Authorities
 - (x) Credit policy
 - (xi) Nomination and Remuneration Policy
 - (xii) Related Party transaction Policy
 - (xiii) Risk Management Policy
 - (xiv) Whistle Blower Policy
 - (xv) Policy on prevention of Sexual Harassment at Workplace
 - (xvi) Gifts & Hospitality
 - (xvii) Code of Conduct
 - (xviii) Contract Clauses
 - (xix) Sponsoring & Donations, Memberships
 - (xx) External Intermediaries
 - (xxi) Projects
 - (xxii) Incident Management Policy
 - (xxiii) Code of Conduct for Prohibition of Insider Trading

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