



14<sup>th</sup> August, 2014

Mr. Dara P. Mehta  
4<sup>th</sup> Floor, South Lands, 177, Colaba Road,  
Mumbai-400005

**Subject: Fixation of Term of your Appointment pursuant to provisions of Companies Act, 2013 and revised Listing Agreement.**

Dear Mr. Mehta,

Pursuant to provisions of the Companies Act, 2013 and revised Listing Agreement, the Company in its Annual General Meeting held on 14<sup>th</sup> August, 2014 has passed a resolution for fixation of your term as an Independent Director of the Company for a non- rotational term of five consecutive years w.e.f. 1<sup>st</sup> April, 2014. The other terms and conditions of your appointment shall be as outlined below:

**1. Our Expectation :**

As a Board member you will continue be involved in a number of Board, Committee and any other meetings held throughout the year. You are expected to attend and participate in all of the scheduled Board meetings, the Annual General Meeting and other Committee Meetings unless urgent and un avoidable circumstances prevent you from doing so. The Company will provide you with adequate notice of the proposed Board, Committee and other meeting dates.

Further as a Director , you will be required to:

- perform your duties, whether statutory , fiduciary or common- law, faithfully, efficiently and diligently to a standard commensurate with the functions of your role, knowledge and skills;
- act for the benefit of Insilco Limited at all times;
- regularly attend Board and Committee meetings;
- be well informed on agenda items;
- participate fully and openly in meetings, sharing insights, ideas and suggestions;
- contribute knowledge and express opinions based on experience, which in turn will assist the Board to make sound decisions
- exercise your powers and duties with reasonable care and diligence;
- exercise your powers and duties in good faith and in the best interests of the Company.
- apply independent judgment in the exercising your powers;
- observe standards of good corporate governance.

**2. Board level committees in which you are expected to serve and its tasks:**

Board Committees are formed as per statutory requirements and to enable the efficient decision making of the Company. You will continue to serve as Chairman / member of the following Committees :

**Insilco Limited**

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India

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S. No.	Name of Committee (s)	Member/ Chairman	Tasks/terms of reference of Committees
1.	Audit Committee	Chairman	As per Annexure 1
2.	Stakeholders Relationship Committee	Chairman	As per Annexure 1
3.	Nomination and Remuneration Committee	Member	As per Annexure 1

### 3. 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 criterias 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.

**4. 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. Directors and Officers (D&O) Insurance**

The Company has obtained the Directors and Officers (D&O) Insurance policy to provide indemnity and insurance cover to all its Directors. A copy of the said Policy is enclosed herewith as Annexure 2 for your knowledge and records.

**6. Code of Conduct**

You shall continue to adhere to the code of conduct of the Company. A copy of the Code of Conduct of the Company is enclosed herewith as Annexure 3 for your knowledge and records.

**7. Remuneration & Reimbursement of Expenses**

You shall be entitled to a sitting fees for attending each Meeting of the Board/ Committee during the year as decided by the Board from time to time in accordance with the provisions of the Companies Act, 2013. The Company will reimburse you for all reasonable and properly documented expenses incurred in performance of your duties as a Director of the Company. However, you shall be required to inform in advance to the Company about such expenses.

**8. Other General Terms**

- a) You being the Director of the Company, shall have unrestricted access (subject to conflicts of interest) to company's records and information and receive regular detailed financial and operational reports from management.



- b) All information acquired by you during your term on the Board, which is not generally known to the public is confidential to the Company and should not be released either during your appointment or following termination (by whatever means) without prior approval of the Board. However, you are at liberty to use such information in good faith in normal course of business and ensure that it should not harm the reputation and business of the Company. Further, if you are required to disclose the confidential information to any statutory authority, Court etc then you must immediately notify the Company of that requirement and provide full particulars relating to the requirement to disclose and its extent.
- c) You shall avoid any conflict of interest between your duty towards the Company and your own interests. Conflicts of interest and any material personal interests must be declared at the time of your appointment to the Board. In addition, any conflicts of interest and personal interests must be declared by you at the time they occur and, unless the Board resolves otherwise, you shall not participate in boardroom discussions, decision making or both on matters in which you are interested..

For INSILCO LIMITED



Frank Heinz Lelek  
Director

I have read and understood the terms and conditions set out above. I hereby accept and agree to abide by the terms and conditions.

Accepted



Dara P. Mehta

Date: 14<sup>th</sup> August, 2014

Place: Gajraula