

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The terms and conditions of appointment of the following Independent Directors are subject to the extent provisions of the applicable laws, including the Companies Act, 2013 ('2013 Act') as amended from time to time.

S.No	Name of Independent Director	From	To
1	Mr. Prem Mohan Gupta	19 th November,2015	18 th March,2019
2	Mr. Anand Kumar Jain	19 th November,2015	18 th March,2019
3	Dr. Sunit Gupta	19 th November,2015	18 th March,2019

The broad terms and conditions of their appointments as Independent Directors of the Company are reproduced hereunder.

APPOINTMENT

The appointment will be for the period mentioned against their respective names ("Term"). The Company may disengage Independent Directors prior to completion of the Term subject to compliance of relevant provisions of the 2013 Act. As Independent Directors, they will not be liable to retire by rotation. Reappointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders. The reappointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria. The directors may be requested to be a member / Chairman of any one or more Committees of the Board which may be constituted from time to time.

ROLE AND DUTIES

Your role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

- I. You shall act in accordance with the Company's Articles of Association.
- II. You shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company.
- III. You shall discharge your duties with due and reasonable care, skill and diligence.
- IV. You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- VI. You shall not assign your office as Director and any assignments so made shall be void.

In addition to the above requirements applicable to all Directors, the role of the Non-Executive Director has the following key elements:

Strategy: Non-Executive Directors should constructively challenge and help develop proposals on strategy;

Performance: Non-Executive Directors should scrutinize the performance of management in meeting agreed goals and objectives;

Risk: Non-Executive Directors should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

People: Non-Executive Directors are responsible for determining appropriate levels of remuneration of Executive Directors and have a prime role in appointing, and where necessary, removing Executive Directors and in succession planning;

Reporting: Non-Executive Directors take responsibility for the processes for accurately reporting on performance and the financial position of M/s Rahman Industries Limited; and

Compliance: Non-Executive Directors should keep governance and compliance with the applicable legislation and regulations under review and the conformity of M/s Rahman Industries Limited practices to accepted norms.

TIME COMMITMENT

Considering the nature of the role of a Director, it is difficult for a Company to lay down specific parameters on time commitment. You agree to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

SITTING FEE, REIMBURSEMENT OF EXPENSES FOR PARTICIPATION IN THE BOARD:

You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of Sitting Fees for meetings of the Board and its Committees as may be decided by the Board and approved by the Shareholders from time to time. In addition to the above, the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

PERFORMANCE APPRAISAL / EVALUATION PROCESS

As members of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

DISCLOSURES.

During the Term, they agree to promptly notify the Company of any change in their directorships, and provide such other disclosures and information as may be required under the applicable laws. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Directors of the Company, they shall promptly disclose the same to the Chairman and the Company Secretary. During their Term, they agree to promptly provide a declaration under Section 149(7) of the 2013 Act, upon any change in circumstances which may affect their status as an Independent Director.