

Date: 30/06/2020

Shri. Kishore Dindayal Sharma
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Adajan Road,
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Tel: (02646) 251118

Dear Sir,

Sub: Appointment as an Independent Director of Rapicut Carbides Limited.

I am pleased to inform you that the Board of Directors of the Company have appointed you as an Independent Director on the Board of the Company for the term of 2 years commencing from 1st July, 2020 subject to approval at ensuing Annual General Meeting. It is my privilege to issue you an appointment letter pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance as enshrined under the Listing Regulations and circulars issued from time to time by the Securities and Exchange Board of India (SEBI).

Appointment

1. Pursuant to the provisions of the Companies Act, 2013, you will serve as an Independent Director on the Board for the period of 2 years till 30th June, 2022 and thereafter for further period as may be decided by the Board and approval of the members of the Company will be required to be obtained.
2. Pursuant to provisions of Section 149 (13) of the Companies Act, 2013 and the relevant Rules made thereunder, your directorship is not subject to retirement by rotation.

Status of Appointment

3. You are not regarded as 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 the meetings of the Board as may be decided by the Board.
4. The sitting fees presently paid to the Directors is Rs. 5000/- (Rupees Five Thousand only) per Board Meeting. No separate fee is being paid for the meetings of the various committees. You may be entitled to commission restricted to 1% of the net profits in aggregate to all the Directors and the quantum of the commission payable to each Director is decided at the time of approval of accounts by the Board of Directors.
5. You are not entitled to participate in any employee stock option scheme of the Company.

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Reimbursement of Expenses

6. In addition to the remuneration described 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 as an Independent Director of the Company.

Time Commitment

7. As an Independent Director you are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance and risk management as well as ensuring high standards of financial probity and Corporate Governance.
8. The Board generally meets atleast four times a year. The Audit Committee generally meets atleast four times in a year. Besides, there are other Committees of the Board such as the Nomination and Remuneration Committee and Shareholder's/Investor's Grievance and Stakeholders Relationship Committee, the meetings of which are ordinarily convened as per requirements under the law for the time being in force. You are expected to attend the meetings of the Board and the Board Committees to which you may be appointed and also Shareholder's meetings and to devote appropriate time to discharge your duties effectively. Generally all the meetings were held at Mumbai except Annual General Meetings which is held at Ankleshwar.
9. By accepting this appointment, you confirm that you will be able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

Role and Duties

10. Your role and duties will be those normally required of an Independent Director under the Companies Act, 2013, the relevant Rules made thereunder and the applicable clauses of the Listing Agreements entered in to by the Company with the Stock Exchanges. There are certain duties prescribed for all Directors which are fiduciary in nature and are as under:
 - You shall act in accordance with the Company's Articles of Association as may be amended from time to time.
 - 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.
 - You shall discharge your duties with due and reasonable care, skill and diligence.
 - 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.
 - You shall not obtain or attempt to obtain any undue gain or advantage either to yourself or to your relatives, partners or associates.
 - You shall not assign your office as Director and any assignments so made shall be void.

Independent Professional Advice

11. There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisors at the Company's expense. The Company will reimburse the entire expenses at actual.

Disclosure of Interest

12. It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment, you are required to declare/disclose any such directorship/s, appointments and interests to the Board in writing in the prescribed form as stipulated under the Companies Act, 2013 and Rules framed thereunder.
13. Pursuant to the provisions of Section 149 (7) of the Companies Act, 2013 you are required to give declaration at the first meeting of the Board in every financial year that you meet the criteria of independence as provided in Section 149 (6) of the Companies Act, 2013.

Evaluation

14. The Directors will carry out an evaluation of the performance of the Board as a whole and for Board Committees and Directors on annual basis. Your appointment and re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

Code of Conduct

15. During your tenure, you are required to comply with regulations as contained in Schedule IV under the Companies Act, 2013 and also with the Code of Conduct for the Members of the Board of Directors and Senior Management of the Company.

Confidentiality

16. All information acquired by you during your term as Director of the Company is to be treated as confidential and should not be released either during your tenure or following termination (by whatever means) to third parties without prior clearance from the Managing Director of the Company unless such disclosure be required by any governmental, statutory and regulatory authority established under the laws for the time being in force. On reasonable request you are required to surrender any documents and other materials made available to you by the Company.
17. Your attention is also drawn to the requirements under the applicable regulations and the Company's Insider Trading Code which concerns the disclosure of price of sensitive information and dealing in the securities of the Company. Consequently you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Managing Director of the Company.

Membership of Committees

18. As advised by the Board, during the tenure of office, you may be required to serve on one or more of the Committees of the Board as a Member or as the Chairman.

Termination

19. You may resign from your position at any time and should you wish to do so, you are requested to serve reasonable written notice to the Board. In terms of provisions of the Companies Act, 2013, you are required to file a copy of your resignation letter with the Registrar of Companies, Gujarat.
20. Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force or if you do not attend any Board Meeting held in a financial year.

General

21. This Letter and any non-contractual obligations arising out of or in connection with this Letter are governed by and shall be construed in accordance with the Laws of India, and the parties agree to submit to the exclusive jurisdiction of the Court at Vadodara.

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