

OAL/
XX/XX/2015

To
Mr. / Mrs. / Ms.
India

Sub:- Appointment as an Independent Director of Orient Abrasives Limited

Dear _____,

On behalf of Orient Abrasives Limited, we are pleased to inform you as per new Companies Act, 2013 members of the company at _____ Annual General Meeting / Extra Ordinary General Meeting held on _____(date of Meeting) have appointed you as Independent Director of the company for a period of five years up to _____. The terms of appointment are set out below subject to the governing laws and Article of Association of the company:

Appointment

- 1 You have appointed as a Non-Executive Independent Director of OAL with effect from _____.
- 2 Term of Independent Director should be construed as defined under the Companies Act, 2013, relevant rules and the listing agreement.
- 3 As a Non-Executive 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, as well as ensuring high standards of financial probity and corporate governance.
- 4 In compliance with provisions of section 149 (13) of the Companies Act, 2013, your directorship is not subject to retire by rotation.
- 5 You will be expected to attend Board, Board Committees to which you may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively.
- 6 By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.
- 7 This appointment letter will supersede the earlier appointment letter, if any.

Role and Duties

- 8 Your role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and the listing agreement.

There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature are as under:-
- 9 You shall act in accordance with the Company's Articles of Association as amended time to time.
- 10 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.
- 11 You shall discharge your duties with due and reasonable care, skill and diligence.

12. 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.
- 12 You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- 13 You shall not assign your office as Director and any assignments so made shall be void.

Status of Appointment

- 14 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 setting fees for meetings of the Board and its Committees as may be decided by the Board.
- 15 The sitting fees presently paid to the Non-Executive Independent Director is Rs. 10,000/- for Board Meeting and Rs. 5,000/- for Audit Committee Meeting on attending the meeting.

Reimbursement of Expenses

- 16 In addition to the remuneration described, above the Company will reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties, it includes the expenditures incurred on attending the Board, Committee and Shareholders meetings..

Conflict of Interest

- 17 It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment commencing, you are required to declare any such directorships, appointments and interests to the Board in writing, if it varies as per the last declaration given by you.
- 18 If circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that you are independent, this should be disclosed to the board of directors.

Confidentiality

- 19 All information acquired during your appointment is confidential to OAL and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Managing Director unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by OAL.
- 20 You should strictly comply the following code of conducts:-
 - (i) Code of Conduct for Prohibition of Insider Trading.
 - (ii) Code of Conduct for Directors and Senior Management Personnel.

Evaluation

- 21 The Company has adopted a policy on Board Evaluation. The policy provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman

of the Board. As per the Policy, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis.

Independent Professional Advice

- 22 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 advisers at the Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy.

Insurance

- 23 OAL has taken a Directors' and Officers' liability insurance and it is intended that OAL will assume and maintain such cover for the full term of your appointment.

Disclosure of Interest

- 24 The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed not later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

Termination

- 25 Your appointment may be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force or at any time of failure to meet the parameters of independence as defined in section 149 (6) of the Companies Act, 2013 and or on the occurrence of any event as defined u/s 167 of the Companies Act, 2013.
- 26 You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board.

Governing Law

- 27 This agreement is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the Indian courts.

If you are willing to accept these terms of appointment relating to your appointment as a non executive Independent Director of OAL, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours sincerely
For and on behalf of Orient Abrasives Limited

S G Rajgarhia
Managing Director
(DIN 00002245)

I hereby acknowledge receipt of and accept the terms set out in this letter.

Signed
_____ (DIN _____)
Dated