



# KANCO TEA & INDUSTRIES LIMITED

(FORMERLY KNOWN AS DHANVARIDHI CONCERNS LIMITED)

Registered Office : "Jasmine Tower", 3rd Floor  
31 Shakespeare Sarani, Kolkata - 700 017, India, Telefax : 2281-5217  
E-mail : [contact@kancotea.in](mailto:contact@kancotea.in), Website : [www.kancotea.in](http://www.kancotea.in)  
Corporate Identity Number (CIN)-LI5491WB1983PLC035793

Date: 13/08/2014

To,  
Mr. Golam Momen  
6, Rawdon Street  
Kolkata – 700 016

Dear Sir,

Sub: Letter of appointment as an independent director

At the 31<sup>st</sup> Annual General Meeting of the company held on 13<sup>th</sup> day of August, 2014, (as recommended by the Board of Directors of the Company), the members of the Company have appointed you as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting till the Annual General Meeting for the Financial Year ended 31<sup>st</sup> March, 2019.

The terms of your appointment are as follows: -

### **Term of Appointment**

Your appointment will be for an initial term of five years commencing from the conclusion of this Annual General Meeting till the Annual General Meeting for Financial Year ended 31<sup>st</sup> March, 2019, unless otherwise terminated earlier by and at the discretion of either party upon one month's written notice. Continuation of your contract of appointment is contingent on satisfactory director annual review process.

### **Expectation of Board**

You as an independent Director will:

1. help in bringing an independent judgement to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
2. bring an objective view in the evaluation of the performance of Board and management;
3. scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. satisfy yourself on the integrity of financial information and that financial control and the system of risk management are robust and defensible;
5. safeguard the interests of all stakeholders, particularly the minority shareholders;
6. balance the conflicting interest of the stakeholders;
7. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointment and where necessary recommend removal of executive directors, key managerial personnel and senior management;
8. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and stakeholder's interest;



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## **Time Commitment**

We are expecting commitment to attend minimum 4 Board meetings, the Annual General Meeting, 1 meeting of the Independent Directors and participation in the Board Committee meetings in which you will be appointed as Member. In addition, you will be expected to devote time for appropriate preparation ahead of each meeting.

By accepting this appointment for which you have already given the consent in writing to act as an Independent Director of the company, you have confirmed that you will be able to allocate sufficient time to meet the expectations of your role as an independent Director of the company.

## **Committees**

You may be asked to serve on one or more of the following Committees of the Board:

- i. Stakeholders Relationship Committee
- ii. Audit Committee
- iii. Nomination & Remuneration Committee
- iv. Share Transfer Committee

## **Fiduciary Duties and Accompanying Liabilities**

You as an Independent Director will:

1. undertake appropriate induction and regularly update and refresh their skills, Knowledge and familiarity with the company;
2. 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;
3. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
4. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
5. strive to attend the general meetings of the company;
6. where they have concerns 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 their concerns are recorded in the minutes of the Board meeting;
7. keep themselves well informed about the company and the external environment in which it operates;
8. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;



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10. ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
11. report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
12. acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
13. 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.

## **Provision for Directors and Officers (D & O) Insurance**

The company may opt for Directors and Officers Liability insurance, as required.

## **Code of business Ethics**

All directors of the Company are expected to follow the code of business Ethics of the company.

## **Trading in Company Securities**

You will abide by the code of SEBI Insider Trading Regulations, 2013.

## **Confidentiality**

All information acquired during your appointment is confidential to the company and should not be released, either during your appointment or following termination (by whatever means), to third parties without prior clearance from the Chairman.

Your attention is also drawn to the requirements under both legislation and regulation as to the disclosure of price sensitive information. Consequently you should avoid making any statements that might risk a breach of these requirements without prior clearance from the Chairman, the Chairman of the Audit Committee or secretary to the Board.

## **Outside Interests**

It is accepted and acknowledged that you have business interests other than those of the Company and have declared that there are no conflicts that are apparent at present. In the event that you become aware of any potential conflicts of interest these should be disclosed to the Chairman, the Chairman of the Audit Committee of Secretary to the Board as soon as apparent.

## **Fees**

You will be paid sitting fees for attending each of the Board Meeting and remuneration in the form of commission as a fixed percentage of profit not exceeding in aggregate one percents of net profits of the Company of each financial year for all directors excluding



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executive directors. The Company will reimburse all reasonable and properly documented expenses incurred by you in performing the duties of your office.


## Review Process

The performance of individual directors and the whole Board and its Committees is evaluated annually. If, in the interim, there are any matters which cause you concern about your role, you should discuss them with the Chairman.

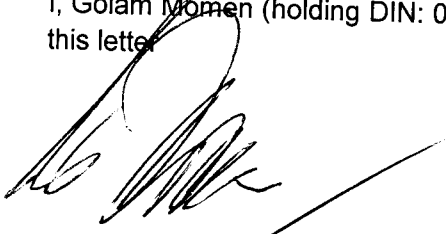
## Independent professional Advice

Occasions may arise when you consider that you need professional advice in furtherance of your duties as a director. Circumstances may occur when it will be appropriate for you to seek advice from independent advisors at the Company's expenses.

Yours Faithfully,  
For: Kanco Tea & Industries Limited

  
Chairman

I, Golam Momen (holding DIN: 00402662), accept the terms of appointment as set out in this letter

  
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GOLAM MOMEN