



KANCO TEA & INDUSTRIES LIMITED

Registered Office : "Jasmine Tower", 3rd Floor
31 Shakespeare Sarani, Kolkata - 700 017, India, Telefax : 2281-5217
E-mail : contact@kancotea.in, Website : www.kancotea.in
Corporate Identity Number (CIN)-L15491WB1983PLC035793

Date: 25/09/2018

To,
Mr. Om Kaul
Flat No. 6,
373/1 New Alipore, Block G
Kolkata – 700 053

Dear Sir,

Sub: **Letter of appointment as an independent director**

We are pleased to inform you that the shareholders of the Company at the 35th Annual General Meeting of the company held on 19th September, 2018 have appointed you as an Independent Director of the Company to hold office for five consecutive years from the conclusion of 35th Annual General Meeting till the Annual General Meeting for the Financial Year ended 31st March, 2023.

The terms of your appointment are as follows: -

Term of Appointment

Your appointment as a Non-Executive Independent Director on the Board of Directors of the Company is with effect from 19th September, 2018. Your appointment is subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which you are required to follow. The term Independent Director should be construed as defined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

You are appointed for an initial term of five years commencing from the conclusion of 35th Annual General Meeting till the Annual General Meeting for Financial Year ended 31st March, 2023.

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;





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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;

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;
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.





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Time Commitment

We are expecting commitment to attend minimum four Board meetings, the Annual General Meeting, at least one meeting of the Independent Directors and participation in the Board Committee meetings in which you will be appointed as Member.

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

Provision for Directors and Officers (D & O) Insurance

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

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.

Disclosure, Other Directorship and Business Interest

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

Fees

You will be paid such remuneration by way of sitting fees for attending each of the Board Meeting. Further you will also be paid remuneration in the form of commission, if any, as may be approved by the Board and the Shareholders from time to time.





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The sitting fees presently paid to the Non-Executive Independent Directors is Rs.15,000/- (Rupees Fifteen Thousand only). In addition to the remuneration the Company will reimburse all reasonable and properly documented expenses incurred by you for attending the meetings of the Company.

Compliance

You will have to submit in every financial year or whenever there is any change in the circumstances which may affect your status as an independent Director, a declaration that you meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. You as an Independent Director shall also comply with the following:

- Code of Independent Directors of the Company
- Code of Business Ethics
- Code of Conduct framed for the Board Members and senior management personnel
- Code of Conduct for prevention of Insider Trading framed by the Company and amended from time to time
- Risk Management policy to the extent applicable to the Independent Directors
- Vigil Mechanism to the extent applicable to the Independent Directors
- Nomination and Remuneration Policy to the extent applicable to the Independent Directors.
- Other rules and regulations as and when applicable to the Company under the Act.

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.

Termination

Your directorship on the Board of the Company may terminate or cease earlier by and at the discretion of either party upon one month's written notice. The resignation shall take effect from the date on which the notice is received by the company or the date, if any, specified by you in the notice, whichever is later.

Your directorship may be terminated for violation of any of the provisions of the code of conduct as applicable to non-executive directors.

If at any stage during the term, there is any change that may affect your status as an Independent Director as envisaged under Section 149(6) of the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and you fail to meet the criteria for "independence", you shall agree to promptly submit your resignation to the Company with effect from the date of such change.





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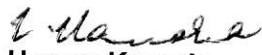
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Independent professional Advice

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.

If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the copy of this letter.

Yours Faithfully,
For: **Kanco Tea & Industries Limited**


Umang Kanoria
(DIN: 00081108)
Chairman and Director

I, Om Kaul (holding DIN: 00020821), accept the terms of appointment as an Independent Director of the Company as set out in this letter.



OM KAUL

