



## **KARNIMATA COLD STORAGE LIMITED**

CIN- L01403WB2011PLC162131

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### **Letter of Appointment for Independent Director**

Date: .....

Mr/Ms .....

.....

Dear Madam,

We are pleased to confirm you that, our decision to appoint you on the Board of Directors of Karnimata Cold Storage Limited (hereinafter referred to as the Company) with effect from ..... 20...to....., 20... This letter of appointment sets out the terms and conditions covering your appointment, are subject to the extant provisions of the (i) applicable laws, including the Companies Act, 2013 and Clause 52 of BSE SME Listing Agreements(as amended from time to time) and Article of Associations of the Company, which are as follows:

#### **1. Appointment:**

- a) You will be appointed as a Non- Executive Independent Director on the Board of Directors of Karnimata Cold Storage Limited with effect from ..... 20...to....., 20... Your appointment is subject to approval of the Board of Directors, election and appointment by the Shareholders as per under the provisions of the Companies Act, 2013. Your appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the listing agreement.
- b) The term Independent Director should be construed as defined under the Companies Act, 2013 and the listing agreement.
- c) As an Independent Director you will not be liable to retire by rotation.
- d) Re-appointment 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. Your re-appointment would be considered by the Board based on the outcome of the performance evaluation process and you continuing to meet the independence criteria.
- e) As per the Board's current assessment , you will be a Chairman/member of the following committee:

Committee.....

Chairman\Member

The Board may reconstitute the composition of all/any Committees, from time to time, and any such change shall be promptly communicated to you. In such an event you may also be required to serve on other Committees of the Board.

#### **2. Role and Duties:**

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 and are as under:

- a) You shall act in accordance with the Company's Article of Association.



- b) You shall act in good faith in order to promote the objects of the Company for the benefits of its members as a whole and in the best interest of the Company.
- c) You shall discharge your duties with due and reasonable care, skill and diligence.
- d) 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.
- e) You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- f) You shall not assign your office as Director and any assignments so made shall be void.

### **3. Time Commitment:**

By accepting this appointment, you confirm to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director so as to meet the expectations of the Board.

### **4. Status of Appointment and Remuneration:**

- a) 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 as may be decided by the Board from time to time.
- b) The sitting fees presently paid to the Non- Executive Independent Director is Rs. 500/- per meeting of the Board.
- c) In addition to the remuneration as mentioned 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.

### **5. Conflict of Interest:**

- a) 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 in the prescribed form at the time of your appointment.
- b) In the event that your 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 both the Chairman and the Secretary.

### **6. 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 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 the Company.

Also as per the Code of Prevention of Insider Trading Policy of the Company which concern with the disclosure of price sensitive information and dealing with the securities of the Company, you should avoid



making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Secretary.

#### **7. Insurance:**

Karnimata Cold Storage Limited has no Directors' and Officers' liability insurance till date.

#### **8. Induction:**

The Company shall, if required, conduct formal induction program for its Independent Directors. The Company shall, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the company and its business. The Company will arrange for training on all matters which are common to the whole Board.

#### **9. Evaluation:**

As a member of the Board, your performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each director shall be done by all other directors. The criteria for evaluation shall be determined by the Nominations and Remuneration Committee and 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. Some indicative list of factors that may be evaluated as part of this exercise is :

- Participation and contribution by a director,
- Commitment (including guidance provided to senior management outside of Board/Committee meetings ),
- Effective deployment of knowledge and expertise.
- Effective management of relationship with stakeholders,
- Integrity and maintenance of confidentiality,
- Independence of behavior and judgment and
- Impact and influence.

#### **10. Disclosures:**

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 conflict of interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Chairman and the Company Secretary.

During your term, you agree to promptly provide a declaration under section 149(7) of the Companies Act, 2013, upon any change in circumstances which may affect your status as an Independent Director.

#### **11. Changes of personal details:**



During the term, you shall promptly intimate the Company Secretary and the Registrar of the Companies in the prescribed manner of any change in address or other contact and personal details provided to the Company.

## **12. Termination:**

Your directorship on the Board of the Company shall terminate or cease in accordance with Law. You may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. 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.

If at any stage during the term, there is a change that may affect your status as an Independent Director as envisaged in Section 149(7) of the Companies Act, 2013 or if applicable, you fail to meet the criteria for “independence” under the provisions of Clause 52 of the BSE SME Listing Agreement, you agree to promptly submit your resignation to the Company with effect from the date of such change.

## **13. Miscellaneous:**

- This letter represents the entire understanding, and constitutes the whole agreement, in relation to your appointment and supersedes any previous agreement. Between yourself and the Company with respect thereto and without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.

- No waiver or modification of this letter shall be valid unless made in writing and signed by you and the Company.

- As per Listing Agreement, if applicable, this letter along with your detailed profile shall be disclosed on the website of the Company.

## **14. Acceptance of Appointment:**

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

Yours sincerely,

For **Karnimata Cold Storage Limited**

(SUBRAT KUMAR NAYAK)

**Company Secretary**

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

Signed: \_\_\_\_\_

Dated: \_\_\_\_\_