

KOVALAM INVESTMENT AND TRADING COMPANY LTD

**REGISTERED OFFICE: PREMISES OF OSWAL WOOLLEN MILLS LTD,
G.T ROAD, SHERPUR, LUDHIANA- 141003. PUNJAB. PH. 0161-5066605**

Website: www.owmnahar.com , e-mail- kovalam@owmnahar.com

CIN- L65910PB1981PLC023058

Ref. No.:

To each Independent Director

Dear Sir / Madam,

SUB: LETTER FOR APPOINTMENT OF INDEPENDENT DIRECTORS

We are pleased to confirm that upon the recommendation of Board, the Shareholders of the company have approved your appointment in their meeting held on 28.09.2018 as Independent Director of the company. This letter sets out the terms and conditions of your appointment as Independent Director of the Board:

1. APPOINTMENT

- 1.1** You are appointed as Non-Executive-Independent Director on the Board of Directors of the Company w.e.f. 28.09.2018, not liable to retire by rotation and will hold office for three consecutive years for a term up to the conclusion of 39th Annual General Meeting to be held in the calendar year 2021.
- 1.2** Your appointment is subject to the maximum permissible directorships that one can hold as per the provisions of the Companies Act, 2013 and the Listing Agreement.
- 1.3** The term Independent Director (ID) should be construed as defined under the Companies Act, 2013 and Listing Agreement.

2. COMMITTEES

The Board of Directors may nominate you to one or more sub-committees of the Board whether existing or any such committees that is to be set up in the future. Your appointment on such committees will be subject to the applicable regulations.

3. ROLES AND DUTIES

The Board as a whole is collectively responsible for promoting the success of the company by directing and supervising the company's affairs. Your role and duties will be those normally required of a Non-Executive Independent director as laid down under Schedule IV of the Companies Act, 2013, or any amendment thereto 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:

3.1 To act in accordance with the Company's Articles of Association.

3.2 To act within the powers, in good faith to promote the objects of the company for the benefit of members as a whole, and in the best interest of the Company.

3.3 To exercise independent judgement, reasonable care, skill and diligence.

3.4 To avoid conflict of interest.

3.5 Not to achieve or attempt to achieve any undue gain or advantage either to Directors themselves or their relatives, partners or associates.

3.6 Not to assign their office as Director and any assignments so made shall be void.

3.7 To declare interest in proposed transactions or arrangements.

4. CODE OF CONDUCT / CONFIDENTIALITY

4.1 During the tenure of your appointment, you are required to comply with requirement of Schedule IV of the Companies Act, 2013 and all relevant regulations as may be issued by the Listing Authorities with regard to Insider Trading and other market related matters from time to time. You will also adhere to the Code of Conduct as may be notified by the Board of Directors of the company for its Directors and other Employees.

4.2 You must apply the highest standards of confidentiality and not disclose to any person or company any confidential information concerning the company and any group companies with which you come into contact by virtue of your position as Director.

4.3 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 Managing Director unless required by law or by the rules of any Stock Exchange or regulatory body.

5. REMUNERATION

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 and its Committees as may be recommended by the Nomination and Remuneration Committee and approved by the board from time to time in terms of provisions of Section 197 of the Companies Act, 2013 and Rules made there under. In addition the company will reimburse all reasonable and properly documented expenses such as travelling / out of pocket expenses which will incur in performing your role as an Independent Director of the Company.

6. TERMINATION

6.1 You may resign from your position at any time after giving reasonable written notice to the Board. Your appointment is governed under the provisions of the Companies Act, 2013 and Articles of Association of the company.

6.2 Continuance of your appointment is contingent on your getting re-elected by the shareholders in accordance with the provisions of Companies Act, 2013 and the Articles of Associations of the company, from time to time in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.

7. OTHERS

7.1 You are expected to continue to be qualified as 'Independent' during your tenure and provide periodic declaration to the effect as required by regulations. If circumstances change and you believe it may not be possible for you to retain your independence you should discuss it with the Managing Director/ Manager as soon as possible.

7.2 As required under the Companies Act, 2013 and LODR, the company will make public a generic copy of this letter on its website www.ownmaharc.com and shall also be open for inspection at the Registered office of the company by any member during normal office hours.

7.3 The performance evaluation of Independent Directors shall be done by the Board, excluding the Director being evaluated.

7.4 On the basis of the report of the evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

If you are willing to accept these terms relating to your appointment as a Non-Executive Independent Director of Kovalam Investment and Trading Company Limited, kindly confirm your acceptance to these terms by signing and returning to us the enclosed copy of this letter.

Yours Sincerely

For **Kovalam Investment And Trading Company Ltd**

Director

AGREE AND ACCEPT

I have read and understood the terms of my appointment as an Independent Director of the Company and I hereby affirm my acceptance to the same.

Name:

DIN:

Place:

Date: