

# **SHREE NIDHI TRADING CO. LTD.**

7, Lyons Range, 3<sup>rd</sup> Floor, Room No. 9 & 10, Kolkata-700 001

Dial: 91 033-3262 4539, E-mail: shreenidhico@yahoo.com.

Website: www.shreenidhitrading.com

CIN-L67120WB1982PLC035305

Date: 01.10.2014

To,  
Mr. Arun Kumar Khemka  
P-337, Lake Town,  
Kolkata - 700089

## **Sub.: Appointment as an Independent Director of the Company**

On behalf of the Board of Directors of Shree Nidhi Trading Co. Limited we are pleased to inform you that upon the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company, the Shareholders of the Company at the Annual General Meeting held on 29<sup>th</sup> September, 2014 approved, your appointment as an Independent Director on the Board of the Company.

As per the requirements of the Companies Act, 2013 and the recent amendments in Listing Agreement, the above is being formalized through this letter of appointment. This letter sets out the terms of your appointment as an Independent Director.

Your appointment is subject to the following:

1. During your tenure as an Independent Director, you will have to submit a declaration at the beginning of every Financial Year under Section 149 (7) of the Companies Act, 2013("Act") stating that you meet the criteria of Independence.
2. So long as you are an Independent Director of the Company, the number of companies in which you hold office as a Director or a Chairman or committee member will not exceed the limit stipulated under the Act and the Listing Agreement.
3. So long as you are an Independent Director of the Company, you will ensure that you do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.
4. You will ensure compliance with other provisions of the Act and the Listing Agreement as applicable to you as an Independent Director.

Kindly return the duplicate copy of this letter along with the terms of appointment enclosed herewith, duly signed by you in confirmation.

We look forward to your continued guidance and support.

Thanking You,

Yours faithfully

**For Shree Nidhi Trading Co. Ltd.**



**Tanumay Laha**  
**Managing Director**  
**DIN: 01731277**

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## **LETTER OF APPOINTMENT**

### **I. Term of Office**

The Company has already received your consent letter to act as an Independent Director and the declaration that you meet the criteria of Independence as provided in Section 149 of the Companies Act, 2013. Your appointment shall be effective for a term of five consecutive years from the conclusion of the ensuing Annual General Meeting and you shall not be liable to retire by rotation.

Your appointment shall be governed by relevant provisions and rules thereto of Companies Act, 2013 and the Listing Agreement.

At any time that you resign, the same is to be intimated to the Board of Directors by a written resignation letter. It is also desirable that you provide a prior intimation to the Company of your intention to resign or to not seek re-appointment.

You may be removed as a director or otherwise required to vacate office under any applicable law and the Articles of Association of the Company.

### **Role of the Board**

The Board's role is to effectively represent, and promote the interests of shareholders with a view to adding long-term value to the Company's shares. Having regard to its role, the board directs, and supervises the management of the business and affairs of the Company including, in particular:


- ensuring that the Company's goals are clearly established, and that strategies are in place for achieving them;
- establishing policies for strengthening the performance of the Company including ensuring that management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital;
- monitoring the performance of management;
- deciding on whatever steps are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
- ensuring that the Company's financial statements are true and fair and otherwise conform with law;
- ensuring that the Company adheres to high standards of ethics and corporate behaviour; and
- ensuring that the Company has appropriate risk management/regulatory compliance policies in place.

All directors are expected to take decisions objectively in the interests of the Company. The board as a whole is collectively responsible for the success of the Company. All directors, whether non-executive or executive, have the same general legal responsibilities.

### **II. Board committees**

During the tenure of office, you may be required to serve on one or more of the Committees of the Board established by the Company.

For SHREE NIDHI TRADING CO. LTD.

  
**Managing Director**



Presently the Board has 4 Committees:-

- i. Audit Committee
- ii. Stakeholder's Relationship Committee
- iii. Nomination & Remuneration Committee
- iv. Risk Management Committee

The Chairperson of the Board in consultation with the committee chairperson determines the frequency & duration of committee meetings.

### III. Timing and Location of Board Meetings and Time Commitment

The board normally holds meetings once in every Quarter and further as the occasion requires. Meetings usually take place at the Company's registered office in Kolkata. The duration of each meeting typically runs to two hours.

In addition to routine board meetings, you should allow time for preparatory work and travel, and ensure that you are in a position to make the necessary overall time commitment.

### Directors' Fees

You shall be paid a sitting fee for attending each Board Meeting, Audit Committee Meeting and Nomination and Remuneration Committee Meeting, if Board of Directors passed the resolution for the same.

Further, the Company shall reimburse you all expenses reasonably incurred by you in performance of your duties as per the provisions of Companies Act, 2013 in conjunction with the Company rules and policies.

### IV. Outside Interests Including Directorships

It is accepted and acknowledged that you may have business interests other than those of the Company. You will disclose your concern or interest u/s 184 in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals, by giving a notice in writing in Form MBP-1. The "Register of contracts with related party and contracts and Bodies etc." (in Form MBP-4) in which directors are interested is tabled at each directors' meeting. Please ensure that the Company is kept informed of any changes to your interests so that the interests register can be maintained up to date.

Any director is, while holding office, at liberty to accept other board appointments so long as the appointment is not in conflict with the Company's business and does not materially interfere with their performance as a director of the Company. All other appointments must first be discussed with the Chairman before being accepted.

### V. Dealing in shares and Code of Conduct

Directors are prohibited from dealing in the Company's shares during the period when the trading window is closed. You are required to comply with the applicable insider trading laws and regulations. You are also required to abide the Company's "**Code of Conduct & Ethics for Members of the Board of Directors**". The same includes the Code laid in Schedule IV to the Companies Act, 2013 which is to be additionally complied with, by an Independent Director.

### VI. Functions & Responsibilities

- a) To review the Company's strategy, the annual financial plan and monitor the Company's performance.
- b) To review Management performance and to advice & counsel the Management.

For SHREE NIDHI TRADING CO. LTD.

  
Managing Director

The Board as a whole shall be collectively responsible for ensuring the success of the Company by directing & supervising the Company's affairs.

**VII. Role of Director**

You will be expected to participate as an active member of the Board in:

- i. attendance at all Board meetings
- ii. membership if any, of Committees
- iii. attendance at General Meetings

**VIII. Performance Review**

Presently, the Company has not laid down any specific criteria for review of performance of the Directors. However, Schedule IV to the Companies Act, 2013 provides that performance evaluation of the Independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

Therefore your performance as an Independent Director shall be reviewed by the Board of Directors. You agree to participate in such reviews.

**IX. Confidentiality**

All information acquired during your appointment is confidential to the Company and should not be disclosed either during your appointment or following termination (by whatever means) to third parties except as permitted by law and with prior clearance from the Chairman.

**X. Applicable Law**

This letter of Appointment shall be governed by the laws of India.

In returning this letter duly signed, you confirm that the Company may make this letter public.


We look forward to your association with us.

Yours faithfully  
For Shree Nidhi Trading Co. Ltd.



**Tanumay Laha**  
**Managing Director**  
**DIN: 01731277**

I have read and agree to the above terms regarding my appointment as an Independent Non - Executive Director.

Signature	:	
DIN	:	00428276
Date	:	01/10/2014
Place	:	Kolkata