

To,
Mr. Ameet Hariani
Chandan, 2nd Floor,
62-B, Peddar Road,
Mumbai - 400026,
Maharashtra, India



04.08.2014

Dear Sir,

Sub: - Letter of Appointment for Independent Director

We are pleased to inform you that the Members of the Company have approved your appointment as an Independent Director of Batliboi Limited under the Companies Act, 2013.

This letter of appointment sets out the terms and conditions covering your appointment which are as follows:

1. APPOINTMENT

The Members of the Company at the 70th Annual General Meeting held on Friday, 1st August, 2014 have approved your appointment as an Independent Director of Batliboi Limited under the new Companies Act, 2013. The appointment will be for a consecutive period of five years commencing from 1st August, 2014.

All the terms as mentioned below including your appointment, fees, expenses, retirement, disqualifications, removal, role, functions and duties of Directors shall be governed by the Companies Act, 2013 and Rules made there under and Corporate Governance requirement under the Listing Agreement as amended from time to time.

2. COMMITMENTS

A) Independent Director

You will be expected to devote such time as is necessary for the proper performance of your duties and as an Independent Director you will be involved in a number of Board and Committee Meetings each year. You should strive to attend all the scheduled quarterly Board Meetings, General Meetings, Committees Board Meetings and other meetings or attendance as necessary.

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As an Independent Director you should strive to hold and present in at least one meeting in a year without the presence of Non-Independent Directors and Members of Management with the sole objective of:

- (a) Review the performance of Non-Independent Directors and the Board as a whole;
- (b) Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- (c) Assess the quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

B) The Company

- The Company shall provide you with adequate notice of the dates of proposed Board Meetings, General Meetings, and Meetings of Board Committees. As per the provision of the Companies Act, 2013, the Company is expected to give you an advance notice of minimum 7 days of every Board and Committee Meetings. A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one Independent Director, shall be present at the meeting and in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one Independent Director. The notice of the Board/Committee Meetings will be provided alongwith the agenda of the Board/Committee Meetings.
- Company shall inform the Directors about any upcoming events in the Company.
- Company shall establish an effective Whistle Blower Policy / Vigil Mechanism so that the Directors can raise their concerns.
- It shall be the responsibility of the Company to provide the Independent Directors with all the information and documents they validly require to fulfil their functions.
- The Company shall ensure that the Independent Directors are aware of their statutory obligations.

3. ROLE, FUNCTIONS AND DUTIES

You will be expected to perform your duties, whether statutory, fiduciary or common law, faithfully, efficiently and diligently to a standard commensurate with both the functions of your role and your knowledge, skills and experience. As an Independent Director you will abide by Company Law and applicable listing agreement of the BSE.

Following are duties prescribed for all directors i.e. both Executive and Non-Executive under Section 166 of the Companies Act, 2013:

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1. Subject to the provisions of this Act, a Director of a Company shall act in accordance with the articles of the Company.
2. A Director of a Company shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company, its employees, the Members, the community and for the protection of environment.
3. A Director of a Company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
4. A Director of a Company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
5. A Director of a Company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such Director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company.
6. A Director of a Company shall not assign his office and any assignment so made shall be void.

You are also expected to familiarize yourself with the relevant Director's Duties, Roles and Responsibilities mentioned in Code for Independent Directors as prescribed under Schedule IV of the Companies Act, 2013 (**Attached as an 'Annexure -I'**).

4. **LIABILITY**

As an Independent Director you will be liable only in respect of such acts of omission or commission by a Company which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently.

5. **TECHNOLOGY**

Being a Director, you may make use of video, telephone, electronic mail, any other technology which permits each Director to communicate with every other Director or any combination of these technologies for the purpose of calling and holding Directors' Meetings.

You may attend the Board or Committee Meeting through video conferencing or other audio visual means subject to the applicable provisions of the Companies Act, 2013.

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6. CONFLICT OF INTEREST

By accepting this appointment you will be deemed to have confirmed that any other position you hold including your directorships in other organizations, shall not give rise to any conflicts of interest in relation to your appointment as an Independent Director of the Company. Should you become aware of any conflict or potential conflict during your appointment, you are expected to notify the Company Secretary.

As an Independent Director you shall not engage in any activity/ies that is/are not expected from you as an Independent Director.

7. DISCLOSURES

During your tenure as an Independent Director you are required to give a declaration that you meet the criteria of independence every financial year as provided under section 149 of the Companies Act, 2013.

You are required to disclose to the Company your interests and any matters (excluding those matters which may be subject to legal professional privilege) which affect your independence.

8. DIRECTORS' FEES

You will be entitled to sitting fee for attending the Meetings of the Board or Committee Meeting thereof either personally or through video conference or other audio visual means as may be decided by the Board.

The sitting fees presently paid to the Non-Executive Independent Director is Rs. 15,000/- per 'Board Meeting' and Rs. 10,000/- per meeting of the 'Audit Committee' & 'Nomination and Remuneration Committee' and Rs. 5,000/- per meeting of 'Stakeholders' Relationship Committee'.

The Non-Executive Directors are also entitled to payment of commission @ not exceeding 1% of the Net Profits of the Company during each or any of the five years commencing from the financial year 2011-2012 extending upto and including the financial year 2016-2017.

The Company shall reimburse you all travelling, hotel and other incidental expenses properly and reasonably incurred by you in performance of duties as per provisions of the Companies Act, 2013 in conjunction with the Company rules and policies.

As an Independent Director you shall not be entitled to any stock option and shall not be covered by any pension scheme.





9. EVALUATION PROCESS

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

10. CODE FOR INDEPENDENT DIRECTORS, CODE OF CONDUCT FOR DIRECTORS AND CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING FOR EMPLOYEES, INCLUDING DIRECTORS

You are required to abide by the Code for Independent Directors as prescribed under Schedule IV of the Companies Act, 2013 (**Attached as an 'Annexure – I'**), Code of Conduct for Directors and Code of Conduct for Prevention of Insider Trading for Employees, including Directors, as issued by the Company.

11. INSURANCE

Batliboi Ltd has Directors' and Officers' Liability Insurance and it is intended that Batliboi Limited will assume and maintain such cover for the full term of your appointment.

12. CONFIDENTIALITY AND ACCESS TO COMPANY RECORDS

Under Company Law, Directors have a right of access to Company's documents and records, including financial records.

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 without prior clearance from the Chairman unless required by law or by the rules of any regulatory body.

13. TERMINATION

At any time you may resign by written notice, it is desirable that you give the Chairman reasonable notice of your intention to resign or to not seek re-appointment where that is possible so that Batliboi Limited can plan for succession of skills and experience on the Board; and you may be required to vacate office for succession of skills and experience on the Board; and you may be required to vacate office for any reason pursuant to any of the provisions of the Companies Act, 2013.

You are not being liable to retire by rotation as per the relevant provisions of the Companies Act, 2013 and Listing Agreement. You may be removed as a Director or otherwise required to vacate office under any applicable law and under the Article of Association of the Company.

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14. APPLICABLE LAW

This letter of appointment shall be governed by the Laws of India. Please note that this is a contract for service and is not a contract of employment.

Kindly confirm your agreement to the terms set out above by signing and returning to us the endorsed copy of this letter.

Yours Sincerely

For Batliboi Limited

A handwritten signature in black ink, appearing to read "Nirmal Bhogilal".

Nirmal Bhogilal
Chairman & Managing Director

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

Signed _____

Dated _____

SCHEDULE IV OF THE COMPANIES ACT, 2013

[See section 149 (7)]

CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for Independent Directors. Adherence to these standards by Independent Directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of Independent Directors.

I. Guidelines of professional conduct:

An Independent Director shall:

1. uphold ethical standards of integrity and probity;
2. act objectively and constructively while exercising his duties;
3. exercise his responsibilities in a bona fide manner in the interest of the Company;
4. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
5. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
6. not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
7. refrain from any action that would lead to loss of his independence;
8. where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;
9. assist the company in implementing the best corporate governance practices.

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II. Role and functions

As an Independent Director of the Company, you shall:

1. help in bringing an independent judgment 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. scrutinize 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 controls and the systems 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 appointing 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 shareholders interest.

III. Duties

As an Independent Director of the Company, you shall:

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 you are a member;
4. participate constructively and actively in the committees of the Board in which you are a chairperson or a member;

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5. strive to attend the general meetings of the Company;
6. ensure that your concerns about the running of the Company or a proposed action 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 yourself 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 behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
12. acting within your 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.

IV. Manner of appointment:

1. Appointment process of Independent Directors shall be independent of the company management; while selecting Independent Directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
2. The appointment of Independent Director(s) of the company shall be approved at the meeting of the shareholders.
3. The explanatory statement attached to the notice of the meeting for approving the appointment of Independent Director shall include a statement that in the opinion of the Board, the Independent Director proposed to be appointed fulfils the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management.



4. The appointment of Independent Directors shall be formalised through a letter of appointment, which shall set out :
 - a) the term of appointment;
 - b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - d) provision for Directors and Officers (D and O) insurance, if any;
 - e) the Code of Business Ethics that the company expects its directors and employees to follow;
 - f) the list of actions that a director should not do while functioning as such in the company; and
 - g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
5. The terms and conditions of appointment of Independent Directors shall be open for inspection at the registered office of the company by any member during normal business hours.
6. The terms and conditions of appointment of Independent Directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of Independent Director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

1. The resignation or removal of an Independent Director shall be in the same manner as is provided in sections 168 and 169 of the Act.
2. An Independent Director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.

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3. Where the company fulfils the requirement of Independent Directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

1. The Independent Directors of the company shall hold at least one meeting in a year, without the attendance of non-Independent Directors and members of management;
2. All the Independent Directors of the company shall strive to be present at such meeting;
3. The meeting shall:
 - (a) review the performance of Non-independent Directors and the Board as a whole;
 - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

1. The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.
2. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

