

MILKFOOD LIMITED

CIN: L15201PB1973PLC003746

Registered Office: P.O. Bahadurgarh – 147021 Distt. Patiala (Punjab)

Phones: 0175-2381404 / 2381415, Fax: 0175-2380248,

Email: milkfoodltd@milkfoodltd.com, Website: www.milkfoodltd.com

LETTER OF APPOINTMENT

MFL/SCY/2014-15/

Date:

Director

Pursuant to approval of the Shareholders at the Annual General Meeting of the Company held on 27th September, 2014, you are being appointed as an Independent Director of Milkfood Limited (“the Company”) for a term upto five consecutive years commencing from 27th September, 2014. The term of your appointment are set out below:

Appointment

1. Your appointment as in independent Director on the Board of Directors of the Company is subject to the provisions of the Companies Act, 2013, the Listing Agreements executed with the stock exchanges and the Articles of the Association of the Company.
2. You may be reappointed for another term of upto five years subject to the provisions of the Companies Act, 2013 and / or Listing Agreement and subject to the approval of the Board of Directors and the Shareholders of the Company by a Special Resolution.
3. Notwithstanding other provisions of this Letter, the appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in Section 149(6) of the Companies Act, 2013 or on occurrence of any event for vacation of office of a Director as provided under Section 167 of the Companies Act, 2013.

Time Commitment

4. As a Non-executive Director, you are expected to devote such time as may be considered prudent and necessary to perform your duties as an Independent Director. You are expected to attend the meetings of the Board / Committees of the Board and of the Shareholders and to devote such time to your duties, as appropriate to discharge your duties effectively.

Duties

5. Your duties as defined under the provisions of the Companies Act, 2013, inter-alia include:

- i) To act in accordance with the Company's Articles of Association and this letter of appointment.
- ii) To 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 interests of the Company, its Employees and the Shareholders.
- iii) To discharge your duties with due diligence and reasonable care, skill and shall exercise independent judgment.
- iv) Not to involve yourself in a situation in which you have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- v) Not to achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.

Status of Appointment & Remuneration

- 6. You will not be an employee of the Company and this letter shall not constitute a contract or employment.
- 7. You will be paid sitting fees for attending meetings of the Board and its Committees as may be decided by the Board. Further, you may also be paid remuneration as recommended by Nomination & Remuneration Committee and approved by the Board, the Shareholders and applicable regulatory authorities. However, you will not be entitled to stock options under Company's Stock Option Plan. You will not be entitled to any compensation for loss of office.
- 8. In addition to remuneration as detailed above, you will be entitled for reimbursement of the travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

Disclosure of Interest

- 9. Every year you are required to disclose your interest or concern in any company or bodies corporate, firms or other associations of individuals through a general notice at the first meeting of the Board in every year and thereafter any change in such disclosures to be informed from time to time.

Interest in Transaction

- 10. Any material interest that you may have in any transaction or arrangement that the Company has entered into should be disclosed immediately.

Declaration

11. During your tenure as an independent Director, you are required to give a declaration every financial year that you meet the criteria of 'Independence' pursuant to the provisions of Section 149 of the Companies Act, 2013.

Evaluation

12. Your performance evaluation will be done by the Nomination and Remuneration Committee on an annual basis.

Code of Conduct

13. You are required to comply with the Code of Conduct for independent Directors as provided under the Schedule IV to the Companies Act, 2013, (enclosed at Annexure-1 for your ready reference), which inter – alia includes:

- i. Guidelines of professional conduct:
- ii. Role and functions
- iii. Duties
- iv. Manner of appointment
- v. Re-appointment
- vi. Resignation or removal
- vii. Separate meetings
- viii. Evaluation mechanism

You are required to comply with the provisions of the Company's:

- (a) Code of Conduct for Directors; and
- (b) Code of Conduct for Prevention of Insider Trading

Confidentiality

14. You will maintain confidentiality in respect of all the information / documents acquired during your appointment.
15. As per the provisions of the Company's Insider Trading Code, you shall keep price Sensitive information confidential and shall not pass such information to any person directly or indirectly.

General

16. This Letter and any non – contractual obligations arising out of or in connection with this Letter are governed by, and shall be construed in accordance with, the laws of India, and the parties agree to submit to the exclusive jurisdiction of the courts in India.

17. Please confirm your agreement to the above by signing and returning the enclosed duplicate of this Letter.

Yours Sincerely,
For Milkfood Limited

Sd/-
(Rishbha Ahluwalia)
Company Secretary