

Dear Mr. Ghosh,

30<sup>th</sup> March 2015

**Subject- Appointment as Independent Director in B & A Ltd**

Hope this letter will find you in the best of health and spirits. You are aware that the new Companies Act' 2013 has revised the terms of appointment of independent director in the board of listed companies and has re-codified the role, functions and duties of independent directors. In line with the revised norms vide its meeting held on 26<sup>th</sup> March 2015 the Board of Directors has appointed you an 'Independent Director' in the Company for a period of 5 years with effect from 26<sup>th</sup> March 2015.

Please find underneath terms and other conditions of your appointment as 'Independent Director' in the company. Also find enclosed a model code of conduct applicable for independent directors.

**(A) Terms of Appointment**

(i) You have been appointed as 'Independent Director' in the company for a period 5 years with effect from 26<sup>th</sup> March 2015 till the conclusion of the fifth financial year from the year of appointment; i.e. your current tenure as 'Independent Director' will be from 26<sup>th</sup> March 2015 to 31<sup>st</sup> March 2020. However your appointment will be subject to the approval of the shareholders in the ensuing Annual General Meeting.

(ii) Your appointment as 'Independent Director' is on the basis of declaration of independency given by you to the Board of Directors on 12<sup>th</sup> January 2015. Your good office is requested to forward to the Board similar declarations in the first meeting of the Board of Directors to be held in every financial year.

**(B) Expectation of the Board as a Director and Member in 'Audit Committee', 'Nomination and Remuneration Committee' and 'Corporate Social Responsibility Committee' of the Company.**

(i) The Board expects from you to bring independent judgement on the Board's and its Committee's deliberations especially on issues of strategy, performance, risk management, key appointments and standards of conduct.

(ii) To bring an objective view in the evaluation of the performance of the Board and management.

(iii) To scrutinize the performance of the management in the meetings of the Board and Committees.

(iv) To oversee the integrity of financial information in the financial statement of the company and that financial control and the systems of risk management are in place.

(v) To safeguard the interest of all stakeholders, especially minority shareholders.

(vi) To determine appropriate levels of remuneration of executive directors, key managerial persons and senior management staff and to have a prime role in appointing and wherever necessary recommend removal of key managerial persons and senior management staff.

(vii) To advise the management in situations of conflict between the management and shareholder's interest.

**(C) Fiduciary duties and accompanying liabilities**

(i) You should regularly refresh your knowledge and familiarity with the company.

(ii) Seek appropriate clarification where necessary or advise to take professional opinion whenever found necessary.

(iii) Strive to attend all meetings of the Board, Audit Committee, Nomination and Remuneration Committee and CSR Committee.

(iv) Participate actively in the discussion of the Board and Committees where you are a member.

(v) Strive to attend the General Meetings of the company.

(vi) Strive to record your concerns in the minutes of the meeting of the Board or Committees which are not resolved by the Board or the Committees.

(vii) Take care not to obstruct the functioning of an otherwise properly convened Board or Committee meeting.

(viii) Ensure that adequate deliberations are held before approving any related party transactions and assure that these are in the interest of the company.

(ix) Ensure that the vigil mechanism is in place and working properly, and report suspected fraud, unethical behaviour, or any violation of code of conduct to the Board.

(x) Ensure confidentiality of information, including commercial secrets, unpublished price sensitive information etc., unless disclosure is expressly approved by the Board or required by law.

(xi) Your office will carry liabilities only in respect of such acts of omission or commission of the company which has occurred with your knowledge, attributable through Board Processes and with your consent or connivance or where you have not acted diligently.

#### **(D) Code of Business Ethics**

The following are the code of business ethics, the Board recommends for its members:

(i) Compliance with laws, rules and regulations including insider trading laws.

(ii) Protecting confidential and other proprietary information of the company and that of our stakeholders.

(iii) Dealing with conflicts of interest.

(iv) Promoting full, fair, accurate, timely and understandable disclosure in the financial reports and other public communications.

(v) Strive to provide adequate medical, educational and welfare facilities to the employees of the company.

(vi) Protecting the environment.

(vii) Reporting of any unlawful or unethical behaviour.

**(E) List of negative actions**

(i) You are requested not to deal with the shares in the company or in the subsidiary company without approved trading plan or preclearance of trade from the Compliance Officer.

(ii) Abstain from participating in the discussion of the Board where you are directly or indirectly interested.

(iii) Abstain from forward dealing of the securities of the company.

(iv) Abstain from disseminating any price sensitive information acquired by virtue of your office.

**(F) Periodic Fees and reimbursement of expenses**

The Board in its meeting held on 24th May 2014 revised the sitting fees for attending the meeting of the Board of Directors and committees thereof. Accordingly, you will be entitled to a fee of Rs. 10,000 (Ten Thousand) for attending each meeting of the Board of Directors and Audit Committee and Rs. 6,000 (Six Thousand) for attending each meeting of the Nomination and Remuneration Committee and CSR Committee.

You will also be entitled for a reimbursement of incidental expenses of Rs. 2000/- (Rupees Two Thousand) for attending meetings. The company will arrange for your travelling and lodging for attending the meetings of the Board and committees or in the alternative reimburse such expenses.

We wish you utmost success in your endeavours.

Yours sincerely

Enclosure- As above

(Sd/-)  
On behalf of the Board  
(A. Farley)  
Chairman

Mr. Anjan Ghosh,  
Director,  
B & A Ltd  
Residence- 27/B, Shib Krishna Daw Lane,  
Kolkata – 700 054, West Bengal

**Code of Conduct of Independent Directors**

- ☐ An independent director shall uphold ethical standards of integrity and probity.
- ☐ He shall act objectively and constructively while exercising his duties.
- ☐ He shall exercise his responsibilities in a bona fide manner in the interest of the company. He shall devote sufficient time and attention to his professional obligations for informed and balanced decision making.
- ☐ He shall not allow any extraneous considerations that will vitiate his exercise of objective independent judgement 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.
- ☐ He shall 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 advantages for any associated person.
- ☐ He shall refrain from any action that would lead to loss of his independence.
- ☐ If in any circumstance, he loses his independence he shall immediately inform such event to the Board of Directors.
- ☐ He shall assist the company in implementing the best corporate governance practices in the company.