Nestlé
Good Food, Good Life

**Mr. Ravinder Narain**

Mr. Ravinder Narain joined the Board of Directors as a Non-Executive Director of the Company in March, 1978. Mr. Ravinder Narain is an eminent lawyer. He is Bachelor of Law having experience of more than three decades in the field of Law and is practicing in the Supreme Court, High Courts and other legal foras. Mr. Narain is also the Chairman of the Stakeholders Relationship Committee and a member of the Audit Committee; Corporate Governance and Social Responsibility Committee; and Nomination and Remuneration Committee of Directors of the Company.

# Nestlé India Limited

(CIN : L15202DL1959PLC003786)

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Your Ref.: Our Ref.: BM:RN-14 Date: 06/06/2014

Mr. Ravinder Narain
55, Sunder Nagar,
New Delhi 110 003

**Sub.: Appointment as Non-Executive Independent Director under Companies Act, 2013**

Dear Sir,

We are pleased to inform you that the shareholders of the Company at the 55th Annual General Meeting held on 12th May, 2014 have passed the resolution for your appointment as an Independent Director of the Company, pursuant to the Companies Act, 2013.

As per the requirements of the Companies Act, 2013, the above is being formalised through this letter of appointment. Please note that this is a contract for service and is not a contract of employment.

**Appointment**
Your appointment for the time being is up to the conclusion of the 57th Annual General Meeting of the Company to be held in the year 2016, keeping in view the retirement policy for non-executive directors approved subsequently by the Board of Directors on 13th May, 2014. This tenure is subject to your meeting the criteria for being an Independent Director and not being disqualified to be a Director under the applicable regulations.

**Role on the Board**
You are expected to provide your expertise and experience inter alia in the field of law and corporate governance, in the functioning of the Board and the committees of the Board you may be nominated. In addition to routine board meetings you should allow time for committee meetings, preparatory work and travel, and ensure that you are in a position to make the necessary overall time commitment.

You may be nominated on one or more committees of the Board and in such event you will be provided with the relevant Committee's terms of reference and any specific responsibilities. You are currently nominated on the following committees of the Board whose terms of reference have been provided to you:
a) Chairman of the Stakeholders Relationship Committee
b) Member of the Audit Committee
c) Member of the Nomination and Remuneration Committee
d) Member of the Corporate Governance and Social Responsibility Committee

**Duties and Liabilities**
The duties and liabilities that come with your appointment would be as per the applicable laws, Nestlé policies and the Articles of Association of the Company.

The laws that currently govern the duties and liabilities of an Independent Director are the Companies Act, 2013 (including Rules thereunder) and the Listing Agreement with the Stock Exchange, some of which are specifically outlined below.

You will follow "the Code for Independent Director" as per Schedule IV of the Companies Act, 2013, "Nestlé Corporate Business Principles" and "Nestlé India Code of Business Conduct".

For your information, revised Clause 49 of the Listing Agreement dealing with corporate governance framework would be applicable with effect from 1st October, 2014.

You are required to make disclosure of your interest as per the requirements of Section 184 of the Companies Act, 2013 and not participate in the meeting of the Board where any contract or arrangement in which you are interested is discussed.

In case you so desire, Company would provide support to help you familiarise yourself with the relevant duties and obligations.

**Technology**
You may give your consent by advance notification to the Chairman or Company Secretary to participate in any meeting(s) of the board or committee of directors, when necessary through video conferencing or other audio visual means, except for matters not to be so dealt under the Companies Act, 2013. When necessary, you can also participate through telephone, electronic mail or any other technology which permits you to communicate with every other Director, though such participation would not be reckoned as attending the meeting under the Companies Act, 2013.

**Independence**
The Board of Directors of the Company inter alia has given due consideration to your declaration of being qualified as 'independent' in accordance with the provisions of Companies Act, 2013 and the Listing Agreement with the Stock Exchange. You are expected to continue to be qualified as 'independent' during your tenure and provide periodic declaration to the effect as required by regulations. You will be identified as 'Independent Director' in the annual report and other documents and publications of the Company. If circumstances change and you believe it may not be possible for you to retain your independence you should discuss this with the Chairman as soon as practicable.

**Evaluation Processes**
Your performance evaluation shall be done by the Board of Directors annually, without your participation. You will participate in reviewing the performance of non-independent directors and the Board as a whole, performance of the Chairperson and other independent directors.

**Code of Business Conduct**
You will follow the Nestlé India Code of Business Conduct and furnish an annual affirmation of the same.

You will apply the highest standards of confidentiality, and not disclose to any person or company (whether during the course of the tenure as Independent Director or at any time after its cessation), any confidential information concerning the Company and any Group Companies with which you come into contact by virtue of your position as a Director, except as permitted by law or with prior clearance from the Chairman or Company Secretary.

**Prohibition on Insider Trading**
You will follow the Nestlé India Policy on Insider Information and the requirements under the Companies Act, 2013 and SEBI Regulations, which inter-alia requires that price-sensitive information is not used or transmitted and maintained securely. You should not make any statements that might risk a breach of these requirements without prior clearance from the Chairman or Company Secretary.

**Availability of Directors and Officers Liability Insurance**
The Directors would be covered/ indemnified as per the policy of the Company.

**Remuneration**
You will be entitled to remuneration in accordance with the criteria, as approved by the Board of Directors on the recommendation by the Nomination and Remuneration Committee, within the overall limits approved by the shareholders and the applicable legal provisions. You will also be entitled to fee for attending the meetings of the Board or Committee thereof either personally or through Video Conference or other audio visual means or for any other purpose whatsoever as may be decided by the Board of Directors. The remuneration and fee payable shall be subject to applicable tax deduction at source.

In addition to the above, you will be entitled to reimbursement of all expenses for participation in the Board and other meetings.

**General**
All the terms as mentioned above including your appointment, remuneration, professional conduct, role and functions, duties and evaluation shall be governed by the Companies Act, 2013 and Rules made thereunder and Corporate Governance requirements under the Listing Agreement, as amended from time to time.

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 subject to the exclusive jurisdiction of the Courts of India.

Yours sincerely
**Nestlé India Limited**
**Sd/-**
**Etienne André Marie Benet**
**Managing Director**