



LAKSHMI MACHINE WORKS LIMITED

Our Ref : Sec/51-AGM/0388/2014

Date: 07.08.2014

Sri.Basavaraju
No.2, Old No.9, Rangasree
2nd Cross, Sankarpuram
BANGALORE-560004

Dear Sir,

Sub: Appointment as Independent Director.

We are pleased to inform you that the members of the Company at the Annual General Meeting duly convened and held on 06.08.2014 have resolved to appoint your good self as an Independent Director of the Company.

The tenure of office is for a term of five consecutive years commencing from the conclusion of the said Annual General Meeting.

Your role, functions, duties and responsibilities as Independent Director shall be as per the provisions of Clause 49 of the Listing Agreement read with the provisions of Sec 166, Schedule IV of the Companies Act, 2013 and the Rules made thereunder. An extract of the Sec 166 and Schedule IV of the Companies Act, 2013 are enclosed herewith for your kind reference.

Your appointment is also governed by the code of conduct for Directors and Employees adopted by the Board of Directors of the Company.

During the said tenure of office, as may be decided by the Board, you may also be required to serve on all or any of the sub committees of the Board such as, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee etc.

To protect the interest of all the Directors, the Company has taken a "Directors and Officers Liability Insurance Policy" to cover all the statutory liabilities of the Directors and Officers of the Company.

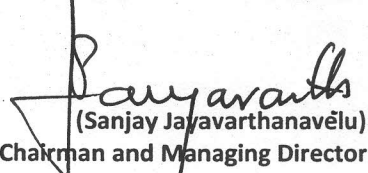
The dates of meeting of Board of Directors and the committees thereof will be informed to you well in advance to enable you to attend the meetings.

As per the remuneration policy of the Company, you are entitled to remuneration consisting of sitting fees for attending the meetings of the Board and Board sub- Committees, Commission on the net profits of the Company as may be determined by the Board and reimbursement of all travelling and out of pocket expenses incurred for attending the meetings. The present sitting fees is Rs.50,000/- per meeting of the Board and Committees thereof.

Receipt of this letter of appointment may kindly be acknowledged.

Thanking You,

Yours Faithfully
For Lakshmi Machine Works Limited


(Sanjay Jayavarthanavelu)
Chairman and Managing Director

Encl: As above

