

Sample Letter of Appointment for Independent Director

Letter No.

Date :

(Name of the Director)
(Designation)
(Address)

Dear Sir,

We are pleased to inform you that upon the recommendation of Nomination and Remuneration Committee of the Board and approval of Board of Directors of the Company in their meeting held on, you are being appointed as an Additional Director (Independent Director) on the Board of the Company w.e.f. for a period of upto three years. The appointment is governed by the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the appointment is subject to regularization by the Shareholders in their forth-coming Annual General Meeting.

You may also kindly note the following in respect of your appointment:-

1. The term of Independent Director should be considered as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
2. The provisions contained in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall apply as regards Performance Evaluation of the Independent Director is concerned.
3. The Board of Directors may, if deems fit, invite you for being appointed in one or more existing Committee(s) or any such Committee i.e. set up in future. Your appointment in such Committee(s) will be subject to the applicable statutory provisions.
4. Your role and duties will be those normally required of an Independent Director under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. Further, there are certain duties prescribed for all Directors both Executive and Non-executive, which are as under :-
 - a) You shall act in accordance with Company's Memorandum and Articles of Association.
 - b) You shall act in good faith in order to promote objectives of the Company for the benefit of its Members as a whole and in the interest of the Company.
 - c) You shall discharge your duties with due and reasonable care, skill and diligence.
 - d) You shall not involve yourself in a situation in which you may have direct or indirect interest that conflicts or possibly may conflict with the interest of the Company.
 - e) You shall not achieve or attempt to achieve under undue gain or advance either to yourself or to your relatives, partners or associates.
 - f) You shall not assign the office of Director and any assignments so made shall be void.

- g) You shall also comply with the provision regarding maximum number of Directorship as contained in Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- h) The Independent Director are also required to abide to the provisions of Code of Conduct for Independent Directors as provided in Schedule IV of Companies Act, 2013. A copy of which is annexed for ready reference.
- i) Further, there are certain other Code of Conduct and Practices & Procedures for all Directors, which are required to be abide by the Independent Directors also. A copy of such relevant Codes are attached herewith for ready reference.
- j) You will not be an employee of the Company and this letter shall not constitute contract of employment.
- k) You will be paid remuneration by way of sitting fees for attending meeting(s) of the Board and its Committee(s) as may be decided by the Board of Directors from time to time.
- l) Further, you may also be paid remuneration by way of commission on profit(s) as may be approved by the Board and shareholders from time to time.
- m) The sitting fees, presently paid to Independent Directors is Rs. 20,000/- per meeting of the Board or Committee of the Board of Directors.
- n) In addition to the remuneration described as above, the Company will reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties as specified in Articles of Association of the Company.
- o) All information acquired during your appointment is confidential to the Company and should not be released, either during your appointment or following cessation to third party without prior clearance from Competent Authority unless required by the law or by the rules of any Stock Exchange or other Regulatory Authority.
- p) The Company has “Directors and Officers Liability Insurance” and Independent Directors are covered in that insurance.
- q) The Company must be informed by the Director of any relation with any other Director or may have material interest in any transaction or arrangement that the Company has entered into. Such interest should be disclosed not later than when transaction or arrangement comes up at the Board meeting so that the minutes may record your interest appropriately and records to be updated accordingly. Further, the details regarding any relation with the Directors of the Company may be informed as on the date of appointment and from time to time as and when there is change.
- r) The general notice that you are entering in any contract with particular person or firm or Company is acceptable.
- s) In addition to the above said documents enclosed with this letter, we are also enclosing herewith the following Forms / Documents, **which are required to be completed and duly signed by your goodself**. The same should be sent to Vice President-Company Secretary.

Forms to be filled and signed:

- Form DIR-2 pursuant to Section 152 (5) of the Companies Act, 2013. Please also provide brief profile, two passport size photos, copy of Identity Proof (PAN Card), Address Proof (Aadhar Card) and Passport.

- Form MBP-1 as required under Section 184(1) of the Companies Act, 2013. This general notice of interest is to be given every year. However, if there is any change during the year, the same may also be informed to us for information of the Board of Director in its next meeting.
- Details of Membership / Chairmanship held by you in Committees of the Board of other Companies in which you are Director.
- Form DIR-8 pursuant to Section 164(2) of Companies Act, 2013.
- Details of Shareholding in PLL pursuant to Code of Internal Procedures and Conduct for prohibition of Insider Trading in dealing with shares of PLL.
- Code of Conduct for Board members and Senior Management Official of PLL.
- Declaration of Independency pursuant to Section 149(6) of Companies Act, 2013 pertaining to Director.
- Other documents

If you are willing to accept these terms of appointment relating to your appointment as an Independent Director of the Company, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours sincerely,

(MD&CEO)

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

Signature :
Date :