



Letter of appointment issued to four Independent Directors who were appointed at 23rd Annual General Meeting of the Company held on 9th September, 2014

Date :-

To,

Dear Sir,

We are pleased to inform you that, your appointment as an Independent Director has been approved by the members at AGM held on 9th September, 2014.

Schedule IV to the newly enacted Companies Act, 2013 and amended clause 49 of the listing agreement provides that the appointment of Independent Director shall be formalized through a letter of appointment.

In compliance of above regulations this letter is issued setting out terms and conditions related to your appointment as an Independent Director.

While considering your appointment as such, the Board has taken on record and ensured that :

- 1 You have given a declaration to the Board that you fulfil the conditions to be appointed as an Independent Director as specified in Section 149 (6) of the Companies Act, 2013 (Act) and Clause 49 of the Listing Agreement;
- 2 You have consented to hold the office of a Director;
- 3 You are not disqualified to become a director in terms of Section 164 of the Act;
- 4 Your appointment as a director would be within the limits of holding directorship as specified in Section 165 of the Act;
- 5 Your appointment would be within the limits laid down to serve as an Independent Director in listed companies as specified in Clause 49 II B (2) of the Listing Agreement;
- 6 You are holding Committee position as a Member or Chairman in not more than the limit prescribed across all companies in which you are director as specified in Clause 49 II D of the said Agreement;



- 7 You have been allotted the above Director Identification Number (DIN) by the concerned department of Ministry of Corporate Affairs and furnished the same to the Company;
- 8 You have made disclosure of your concern or interest in other companies, committee position held and of the person who are deemed to be your relatives within the meaning of relatives defined in Section 2 (77) of the Act and Companies (Specification of definition details) Rules, 2014;

Terms of your appointment are as under:

- (a) Term : You shall hold office as an Independent Director for a term of 5 (five) consecutive years on the Board of the company from 9th September, 2014 (the date of Annual General Meeting). You shall not be liable to retire by rotation.
- (b) Expectation of the Board : The Board of Directors of the Company expect you to:
 - (i) follow guidelines of professional conduct and perform role, functions and duties as specified in Schedule IV to the Act;
 - (ii) act in terms of Articles of the Company and discharge duties as provided in Section 166 of the Act;
 - (iii) discharge responsibilities exercising independent judgement;
 - (iv) strive to attend meetings of Board and Committee thereof and participate constructively to attain company's goals and objectives of committees of the Board in which you are appointed as a Chairman or Member as the case may be;
 - (v) as a member of the Board, you are expected to perform key functions and other responsibilities as laid down in Clause 49 I D of the Listing Agreement.
 - (vi) you shall not act in a manner which may lead to loss of your independence.
 - (vii) you should strive to hold and present in at least one meeting in a year without the presence of Executive Directors and the Members of Management so as to
 - (a) review performance of the Executive Non-Independent Directors and Board as a Whole;
 - (b) assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.



- (c) Fiduciary Duties and accompanying liabilities : as a director you occupy a fiduciary position in relation to the Company, so expected to act bonafide with utmost care, skill and due diligence to protect the legitimate interest of the Company, shareholders and its employees.

Accompanying Liabilities : In terms of Section 149 (12) of the Act, an Independent Director or a non-executive director not being promoter or key managerial personnel shall be held liable only in respect of such acts of omission or commission by a company which had occurred with your knowledge, attributable through Board processes and with your consent or connivance or when you have not acted diligently. In terms of Section 168 (2) of the Act, an Independent Director shall remain liable even after his resignation for the offences if any, which had occurred during his tenure.

- (d) Provision for "D" and "O" insurance : The Company shall ensure that Directors and Officers insurance cover is provided to you to indemnify against risk, loss, damage which may occur by virtue of holding office as an Independent Director.

- (e) Code of Business Ethics : The Company expects that you as an Independent Director shall comply with the Code of Conduct laid down for Board Members and Senior Management as well as separate code containing duties of Independent Director.

- (f) List of Restricted Actions : You shall not :

- (i) involve yourself in a situation in which you may have a direct or indirect interest that conflicts or possibly may conflict with the interest of the Company;
- (ii) achieve or attempt to achieve any undue gain or advantage either to yourself or to any of your relatives, partners;
- (iii) do any action that would lead to loss of your independence;
- (iv) abuse your position to the detriment of the Company or its shareholders;
- (v) disclose confidential information including commercial secrets, technologies, sales promotional plans, unpublished price sensitive information etc. unless such disclosure is expressly approved by the Board or required by law;

- (g) Remuneration : The Company shall make payment of :

- (i) Sitting Fees of Rs. 20,000/- (Rupees Twenty Thousand Only) for attending each meeting of the Board and also Rs. 20,000/- (Rupees Twenty Thousand Only) if applicable in your case for each meeting of Audit Committee attended by you holding office as a Chairman or Member;



- (ii) The Company shall make payment of Rs. 1,000/- (Rupees One Thousand Only) to reimburse towards expenses incurred by you to attend and participate at Board and Other Committee Meetings
- (h) Resignation : You may resign from your office by giving a notice in writing to the Company and Board in the manner as prescribed under Section 168 of the Companies Act, 2013 (Act), Schedule IV to the Act and Clause 49 of the Listing Agreement
- Removal or Vacation of your office shall be subject to Section 167 and 169 of the said Act
- (i) Your re-appointment shall be subject to performance evaluation as provided under Section 149 (10) & (11) of the Act and Clause 49 of Listing Agreement.

The Board is of the opinion that you are independent of the management of the Company and your continued association would be of immense benefit to the Company.

Yours truly
For Plastiblends India Limited
-sd-
S. V. Kabra
Chairman & Managing Director
DIN :- 00015415

