

Draft Letter of Appointment issued/to be issued to Independent Director¹

Date:

To,

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SUB: Letter of Appointment/Re-Appointment as an Independent Director, under Section 149 of Companies Act, 2013

Dear Sir/Madam,

We are pleased to inform you that the members of Gillanders Arbuthnot and Company Limited (hereinafter referred to as GACL or the Company) at its _____ Annual General Meeting held on _____ have appointed/re-appointed you as an Independent Director of the Company, as per terms and conditions as set out in this appointment letter.

This letter of appointment issued in compliance with Schedule IV to the Companies Act, 2013 (the "Act") which sets out the terms and conditions relating to your appointment as detailed below:

1. Appointment

- 1.1 You have been appointed as a 'Non-Executive Independent Director' on the Board of Directors of GACL for a period of _____ with effect from _____ up to _____. Your appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015 (the "Regulations")).
- 1.2 The term Independent Director should be construed as defined under the Act and the Regulations.
- 1.3 The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Act and the Regulations. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. The Company is at liberty to disengage Non-Executive Independent Director before the end of the tenure subject to compliance of relevant provisions of Act.

2. Committees

The Board of Directors ("Board") may, if it deems fit, invite you for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. Your appointment on such Committee(s) will be subject to the applicable regulations.

¹ This is a draft letter of Appointment and is subject to amendment/modification.

3. Time Commitment

3.1 The Board meets at least four (4) times in a year. The Audit Committee also meets at least four (4) times in a year. Besides, there are other Committee meetings viz. Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, which are convened on need basis but at least one meeting of each of the Committees are held during the year. You are expected to attend meetings of the Board, Board Committees, to which you are or may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Ordinarily, all meeting are held in Kolkata.

4. Role and Duties

You shall be required to comply with the provisions relating to the Independent Directors as per the Act and Regulations. Your role and duties will be those normally required of a Non-Executive Independent Director under the Act and the Regulations.

5. Status of Appointment

5.1 You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees, as may be decided by the Board, and approved by the Shareholders from time to time. Further, you will also be paid remuneration by way of commission as may be approved by the Board and the Shareholders, from time to time.

5.2 The Sitting fees presently paid to the Non-Executive Independent Director is Rs 20,000/- per meeting for the Board and Rs. 15,000/- for other Committees thereof.

6. Reimbursement of Expenses

In addition to the Remuneration described in paragraph 5, the Company will for the period of your appointment, reimburse you for travel, hotel and incidental expenses incurred by you in the performance of your role and duties.

7. Conflict of Interest

7.1 It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.

7.2 In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgement that you are independent, this should be disclosed to both the Chairman and the Secretary.

8. Confidentiality

All information acquired during your appointment is confidential to Gillanders Arbuthnot and Company Limited and should not be disclosed, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman, unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by GACL.

Your attention is also drawn to the requirements under the applicable regulations and the GACL Insider Trading Code, which deals with disclosure of price sensitive information and dealing in the securities of GACL and you are requested to kindly abide by the same.

9. Induction

You will be invited to attend an initial induction session and, thereafter, ongoing training and familiarization sessions, including briefings from the management and site visits. Please avail yourself of these opportunities as fully as is appropriate to your personal circumstances.

10. Evaluation

The Company has adopted a policy on Board evaluation. The performance evaluation of Independent director shall be done by the entire Board of Directors, excluding the Director being evaluated. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director or not.

11. Insurance

GACL has obtained a Directors' and Officers' liability insurance. GACL will try to maintain such cover for the full term of your appointment.

12. Independent Professional Advice

There may be occasions when you may consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult Independent advisors at the Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy.

13. Disclosure of Interest

The Company must include in its annual accounts a note of any material interest that the Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

14. Termination

- a) You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice to the Board.
- b) Your appointment may also be terminated in accordance with the provision of the Act and Regulations.

Thanking you,

Yours faithfully,

For **Gillanders Arbuthnot and Company Limited**

Chairman