

**Draft Letter of appointment issued/ to be issued to the Independent Director**

**Date:** .....

**To**

.....

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

Dear Sir,

I am writing to confirm our decision to appoint you on the Board of Directors of Gillanders Arbuthnot And Company Limited (hereinafter referred to as GACL or the Company) with effect from ..... This letter of appointment sets out the terms and conditions covering your appointment which are as follows:

**1. Appointment**

- 1.1 You will be appointed as a Non-Executive Independent Director on the Board of Directors of GACL with effect from..... Your appointment is subject to approval of Board of Directors, election and appointment by the Shareholders as per the provisions of the Companies Act, 2013 ("Act"). Your appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Act and the Listing Agreement ("LA").
- 1.2 The term Independent Director should be construed as defined under the Act and the LA.
- 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 LA. 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 earlier 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.

### **3. Time Commitment**

3.1 The Board meets atleast four (4) times in a year. The Audit Committee also meets atleast four (4) times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Stakeholder Relationship Committee and Corporate Social Responsibility Committee which are convened on need basis. You will be expected to attend Board, Board Committees to which you 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 LA. Your role and duties will be those normally required of a Non-Executive Independent Director under the Act and the LA.

### **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 setting 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 15000/- per meeting for the Board and Rs.11000/- 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 released, 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 concerns the disclosure of price sensitive information and dealing in the securities of GACL and which you are requested to kindly abide by..

## **9. Induction**

Immediately after the appointment, 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.

## **11. Insurance**

GACL has initiated the process for obtaining a Directors' and Officers' liability insurance, and is expected to commence soon. GACL will try to maintain such cover for the full term of your appointment.

## **12. Independent Professional Advice**

There may be occasions when you 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 and our records are

updated. 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) Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provision of the Act and the Article of Association of the Company, from time to time in force. You will not be entitled to any compensation if the shareholders do not re-elect you at any time.
- c) Your appointment may also be terminated in accordance with the provision of the Article of Association of the Company, from time to time in force.

Thanking you,

Yours faithfully,  
For **Gillanders Arbuthnot and Company Limited**

**Chairman**

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

Signed.....

Dated .....