

# GLOBAL SURFACES LIMITED

**Regd. Office:** PA-10-006 Engineering and Related Indus Sez, Mahindra World City Teh-Sanganer RJ 302037 IN

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## TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

Date: \_\_, 20\_\_

[Name and Address of Independent Director]

### SUB: APPOINTMENT AS NON-EXECUTIVE (INDEPENDENT DIRECTOR)

Dear Sir,

We are pleased to inform you that the Board of Directors of Global Surfaces Limited ("the Company") at its meeting held on \_\_\_\_, have approved your appointment as \_\_ of the Company for a term of \_\_ consecutive years commencing from \_\_, subject to the approval of Shareholders. This letter sets out the terms & conditions for your appointment as Independent Director in terms of the requirements of Schedule IV of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

### 1. TENURE OF APPOINTMENT

You will serve as a Non- Executive Independent Director for a term of \_\_\_\_ consecutive years commencing from \_\_\_\_ up to and including, \_\_\_\_\_ not liable to retire by rotation. Pursuant to the provisions of the Act and SEBI Listing Regulations, your appointment is subject to approval of shareholders of the Company and other consents/approvals, if any. Your appointment is not a contract of employment of the Company.

### 2. INDEPENDENCE

We have taken note of your confirmation that you meet the independence criteria as required pursuant to Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and your registration on the Independent Directors' databank, maintained by the Indian Institute of Corporate Affairs. Your appointment is Subject to following:

- i. You Shall submit a declaration at the beginning of every financial year under section 149 (7) of the Companies Act, 2013 ("the Act") and Regulation 16(1)(b) of the SEBI Listing Regulations during your tenure confirming that you meet the criteria of independence.
- ii. You will promptly inform the Board of any change in the status of your independence.
- iii. So long as you are independent director of the company, the number of companies in which you hold office as a director or a chairman or committee member will not exceed the upper limit stipulated under the Act and the SEBI Listing Regulations.
- iv. So long as you are independent director of the company, you will ensure that you do not get disqualified to act as a director pursuant to the provisions of section 164 of the Act.
- v. You will ensure compliance with other provisions of the Act and the SEBI Listing Regulations as applicable to you as an independent director.

### 3. DEVOTION OF TIME

It is expected that you will give sufficient time, as may be appropriate and essential in line with your responsibilities and duties as an Independent Director.

#### **4. TERMS AND CONDITIONS**

As per the companies Code Following are the Terms and Conditions of Appointment of an Independent Director:

##### **Role of the Board**

The board's role is to effectively represent, and promote the interests of, shareholders with a view to adding long-term value to the Company's shares. Having regard to its role the Board directs, and supervises the management of, the business and affairs of the Company including, in particular:

- ensuring that the Company's goals are clearly established, and that strategies are in place for achieving them.
- establishing policies for strengthening the performance of the Company including ensuring that management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital
- monitoring the performance of management;
- appointing the chief executive officer, setting the terms of their employment agreement and, where necessary, terminating their employment.
- deciding on whatever steps are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken
- ensuring that the Company's financial statements are true and fair and otherwise conform with law
- ensuring that the Company adheres to high standards of ethics and corporate behaviour; and
- ensuring that the Company has appropriate risk management/regulatory compliance policies in place. In the normal course of events, day to day management of the company is left to management.

All directors are expected to take decisions objectively in the interests of the Company. The board as a whole is collectively responsible for the success of the Company. All directors, whether non-executive or executive, have the same general legal responsibilities.

##### **Timing and Location of Board Meetings, and Time Commitment**

The Board normally meets to discuss the quarterly and annual results of the company holds additional meetings as the occasion requires. Meetings usually take place at the Company's Registered office situated at PA-10-006 Engineering and Related Indus Sez, Mahindra World City Teh- Sanganer RJ 302037 IN or through Video Conferencing.

In addition to routine Board meetings, you should allow time for committee meetings, preparatory work and travel, and ensure that you are in a position to make the necessary overall time commitment.

##### **Remuneration**

The Non-Executive Director shall be entitled to sitting fees and out-of-pocket expenses incurred for attending the Board and committee meeting is as decided by the Board and permissible under the Companies Act/Listing Agreement / other applicable laws as the case may be.

The Company will reimburse you for all direct and indirect expenses such as toll calls, accommodation and travelling expenses, reasonably and properly incurred and documented.

##### **Committee Involvement**

Board committees are formed when it is efficient or necessary to facilitate effective decision-making. The Board's present standing committees are the Audit Committee, Corporate Social Responsibility Committee, Stakeholder Relationship Committee and Nomination & Remuneration

Committee.

### **Re-appointment**

On the conclusion of the first term of appointment, you may further be appointed for Second term subject to the approval of the Board on the basis of the performance evaluation report and approval of shareholders by way of a special resolution and you continuing to meet the independence criteria as prescribed under the Act and SEBI Listing Regulations.

### **Board and Individual Director Evaluation Processes**

The performances of the Board as a whole, its committees and individual Directors are evaluated annually. If, in the meantime, there are any matters which cause you concern about your role you should discuss them with the Chairman of the Board as soon as appropriate.

### **Outside Interests Including Directorships**

It is accepted and acknowledged that you may have business interests other than those of the Company. Please contact the Company Secretary as soon as possible to arrange for your interests as a shareholder, director, officer or trustee of other companies or entities to be entered in the Company's interests register. The interest's register is tabled at each directors' meeting. Please ensure that the Company is kept informed of any changes to your interests so that the interests register can be maintained up to date.

Any director is, while holding office, at liberty to accept other board appointments so long as the appointment is not in conflict with the Company's business and does not materially interfere with their performance as a director of the Company. All other appointments must first be discussed with the Chairman before being accepted.

### **Induction and Development Processes**

As soon as practicable the Company will provide a comprehensive induction programme aimed at broadening your understanding of the Company, its business, and the environment and markets in which it operates. As part of the programme, you will meet key management and receive a folder of essential board and company information.

All directors are expected to remain current on how to best discharge their responsibilities as directors of the Company including keeping abreast of changes and trends in economic, political, social, financial and legal climates and governance practices.

### **Confidentiality**

All information acquired during your appointment is confidential to the Company and should not be disclosed either during your appointment or following termination (by whatever means) to third parties except as permitted by law and with prior clearance from the Chairman.

## **5. PROFESSIONAL CONDUCT:**

As an independent director, you shall:

- i. uphold ethical standards of integrity and probity;
- ii. act objectively and constructively while exercising his duties;
- iii. exercise your responsibilities in a *bona fide* manner in the interest of the company;
- iv. devote sufficient time and attention to your professional obligations for informed and balanced decision making;
- v. not allow any extraneous considerations that will vitiate your exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;

- vi. not abuse your position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- vii. refrain from any action that would lead to loss of your independence.
- viii. where circumstances arise which make an independent director lose your independence, the independent director must immediately inform the Board accordingly;
- ix. assist the company in implementing the best corporate governance practices.

## **6. ROLES & FUNCTIONS**

As an independent director, you will be expected to –

- a) Help in bringing an independent judgment to bear on the Board’s deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- b) Bring an objective view in the evaluation of the performance of board, committees and individual directors;
- c) Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- d) Ensure the integrity of financial information and that financial controls and the systems of risk management are robust and flexible;
- e) Safeguard and balance the interest of all stakeholders;
- f) Moderate and arbitrate in the interest of the Company in situations of conflict between management and shareholder’s interest.

## **7. RESPONSIBILITIES AND DUTIES**

Following will be your responsibilities and duties –

- a) Updation of your skills, knowledge and familiarity with the Company and the external environment in which it operates.
- b) Seeking appropriate clarification or amplification of information;
- c) Striving to attend and actively participate in all meetings of the Board and Committees of which you are a chairperson/member as well as the general meetings of the Company;
- d) Holding and/or participating actively in the separate meetings of the independent directors of the Company which shall – - review the performance of non-independent directors and the Board as a whole; - review the performance of the Chairperson of the Company, taking into account the views of executive and non-executive directors; - 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.
- e) Ensuring that your concerns about the running of the Company or a proposed action, are addressed by the Board and, to the extent that are not resolved, insist that your concerns are recorded in the minutes of the Board meeting;
- f) Not unfairly obstructing the functioning of an otherwise proper Board or committee of the Board;
- g) Ensuring adequate deliberations, before approving related party transactions and assuring yourself that the same are in the interests of the Company;
- h) Ensuring that the Company has an adequate and functional vigil mechanism and reporting concerns about unethical behavior, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy if any;
- i) Acting within your authority, assist in protecting the legitimate interests of the Company, shareholders and employees;
- j) Not disclosing confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

## **8. CODE OF CONDUCT OF THE COMPANY:**

The Company has a well-defined Code of Conduct ensuring proper compliance with necessary regulations. Every Director is expected to abide by the Code of Conduct in complete letter and spirit. Every Director is required to furnish an annual affirmation of the same.

## **9. DEALING IN SECURITIES OF THE COMPANY:**

Directors are prohibited from dealing in the Company's securities during the period when the trading window is closed. Directors are prohibited from forward dealing in securities of the Company. Also, they should not enter into insider trading and are expected to comply with the Company's 'Code of Prohibition of Insider Trading' as well as with the relevant provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

## **10. LIABILITY OF NON-EXECUTIVE DIRECTORS & INDEPENDENT DIRECTORS:**

Abiding by the provisions of the Act, we would like to mention that being an independent director of the Company, you will be held liable, only in respect of such acts of omission or commission which have occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you have not acted diligently.

## **11. DIRECTORS AND OFFICERS (D&O) LIABILITY INSURANCE:**

Directors & Officers (D&O) Liability Insurance policy is an insurance cover to protect the individual directors and officers in respect of personal liabilities arising out of their wrongful acts, committed in the course of their official duty. These wrongful acts can be actual or alleged breach of duty, breach of trust, neglect, error, misstatement, misleading statement, omission.

The policy covers individual Directors and Employees.

We have great pleasure in welcoming you on the Board and look forward to working closely with you.

Thanking You,

Yours Faithfully

**For Global Surfaces Limited**

(Name)

(Designation)