

## **TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTOR**

The terms and conditions of appointment of the Independent Directors of the Company are subject to the provisions of (i) applicable laws, including the Companies Act, 2013 and Listing regulations and (ii) Articles of Association of the Company (as amended from time to time).

The broad terms and conditions of their appointment as Independent Directors of the Company are reproduced hereunder:

### **1. APPOINTMENT**

- a) The Independent Directors are appointed by the Members of the Company, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, for such period not exceeding five years as may be considered appropriate by the Board/NRC, or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.
- b) The Independent Directors shall not be liable to retire by rotation.
- c) In addition to the Committee of Independent Directors, the Independent Directors may be required to serve on one or more Board Committees as may be decided by the Board from time to time. Presently such active Committees are Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Stakeholders Relationship Committee and Risk Management Committee etc. The role of these Committees would be such as may be determined by the Board from time to time.

### **2. ROLE, DUTIES AND RESPONSIBILITES**

- a) The duties and liabilities that come with the appointment as an Independent Director would be as per the applicable laws, the Articles of Association of the Company and the TruAlt Code of Conduct.
- b) As members of the Board, the Independent Directors along with the other Directors will collectively be responsible for meeting the objectives of the Board which include:
  - Performing responsibilities of the Board as outlined in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations);
  - Taking accountability under the Directors' Responsibility Statement.
  - Overseeing the maintenance of high standards of the Company's values and ethical conduct of business.
  - Fulfilling requirements under the Companies Act 2013 (the Act) and the Rules thereunder.
  - Overseeing the Company's contribution towards sustainability and CSR.
- c) The Independent Directors will be expected to perform their fiduciary duties and exercise the skill and care expected of every Director. They shall also abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

### **3. TIME COMMITMENT**

Considering the nature of the role of a director, it is difficult for the Company to lay down specific parameters on time commitment. The Independent Directors agree to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as an Independent Director.

### **4. INSURANCE**

The independent directors will be entitled to coverage under Directors' and Officers' Liability Insurance policy as per the Company's rules.

**5. REMUNERATION**

- a) The Independent Directors shall be entitled for sitting fee for attending the Board meetings or Committees of Board as may be decided by the Board.
- b) They will also be entitled to remuneration by way of commission based on performance and the guidelines framed by the Board for this purpose. However, the same shall be subject to the approval of the Board on the recommendations made by the Nomination and Remuneration Committee, if any.
- c) Further, the Company may pay or reimburse the independent directors with such fair and reasonable expenditure, as may have been incurred by them while performing their role as an Independent Director of the Company. This could include obtaining, subject to prior consultation with the Board, professional advice from independent advisors in furtherance of their duties as an independent director.

**6. INDUCTION AND DEVELOPMENT**

The Company will, from time to time, brief the Independent Directors on all business-related matters, risk assessment & minimization procedures, and proposed new initiatives. They will also be updated on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislation and economic environment.

**7. CODE OF CONDUCT**

- a) As Independent Directors of the Company, they agree to comply with the provisions of the TruAlt Code of Conduct, as adopted by the Board. The Independent Directors will also be required to affirm annually compliance with the TruAlt Code of Conduct.
- b) The Independent Directors also agree to comply with the provisions of the TruAlt Code of Conduct for Prevention of Insider Trading read with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, in terms of which disclosure or use of unpublished price sensitive information is prohibited.
- c) Unless specifically authorized by the Company, the Independent Directors will not disclose information in respect of the Company's affairs to the media, the financial community, the employees, the members, or to any other person. The obligation of confidentiality of the Independent Directors shall survive the cessation of their directorship in the Company.
- d) The Independent Directors shall not engage in any activity which might impede the application of their independent judgement in the best interest of the Company.

**8. CONFLICT OF INTEREST**

- a) It is accepted and acknowledged that the Independent Directors may have business interests other than those of the Company. They are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form(s).
- b) During their term, the Independent Directors agree to promptly provide a declaration under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations, upon any change in circumstances which may affect their status, individually, as an Independent Director. Further, they also agree to confirm, individually, compliance with the said criteria of independence every financial year, along with a confirmation that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence.

c) During their term, the Independent Directors agree to keep their names included in the databank of Independent Directors and comply with the other conditions prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014.

## 9. DISCLOSURES

a) During the Term of appointment, Independent Directors are required to submit all statutory disclosures/confirmations required to be made under applicable laws including but not limited to:

- Annual / Event based disclosures as per Companies Act, 2013
- Disclosures under Listing Regulations with the Stock Exchanges, if any
- Disclosures under Prevention of Insider Trading Code
- Disclosures under Code of Conduct for Directors
- Disclosure under Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 sub section (7) of Companies Act, 2013.

## 10. CONFIDENTIALITY OF INFORMATION

Any information acquired by them during their term as director of the Company is confidential and should not be released, unless required by law or by any regulatory body. On reasonable request, they shall surrender any documents and other materials made available to them whilst holding the directorship. They shall also enter into a Non-Disclosure Agreement with the company which shall form part of this letter.

## 11. PERFORMANCE APPRAISAL / EVALUATION

Performance of the Independent Directors as well as the performance of the entire Board and the Board Committees will be evaluated annually as required under the provisions of law and the parameters for evaluation as laid down by the Nomination & Remuneration Committee.

## 12. TERMINATION

The directorship on the Board of the Company shall terminate or cease in accordance with law. The independent directors may resign at any time by giving a reasonable written notice to the Board of Directors in advance.

## 13. GENERAL

Actions, in particular, that should not be taken by the Independent Directors while in office, include the following:

- Action that involves any violation of applicable law.
- Action that involves any breach of the TruAlt Code of Conduct.
- Action that involves either their personal interest, except as disclosed in terms of the applicable laws, or compromises or conflicts with the interest of the Company.

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