



NOVA AGRITECH LIMITED

Terms and Conditions of Appointment of Independent Directors

The Terms and Conditions of the appointment of Independent Directors, which shall, in any event be subject to the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Articles of Association of the Company, are set out below.

Terms of Appointment

1. The appointment will be for the period mentioned against their respective names ("Term") which shall not be less than 5 (five) consecutive years.
2. In compliance with provision Section 149(13) of the Companies Act, 2013, Independent Directors are not liable to retire by rotation.
3. Re-appointment at the end of the Term for another term of 5 (five) years shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders. The re-appointment would be considered by the Board based on the outcome of the performance evaluation process and the Directors continuing to meet the independence criteria.
4. The Independent Directors may be requested to be a member / Chairman of any one or more Committees of the Board which may be constituted from time to time.
5. The appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in Section 149(6) or Listing Regulations or on the occurrence of any event as defined in section 167 of the Companies Act, 2013. Upon termination or upon resignation for any reason, duly intimated to the Company,

Resignation or Removal

1. The resignation or removal of an Independent Director shall be in the same manner as is provided in sections 168 and 169 of the Act.

2. An independent Director who resigns or is removed from the Board of the Company shall be replaced by a new Independent Director within a period of not more than 3 (three) months from the date of such resignation or removal, as the case may be.
3. Where the company fulfils the requirement of Independent Directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new Independent Director shall not apply.

Role, Duties and Responsibilities

As members of the Board, they along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- a) Requirements under the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013,
- b) "Responsibilities of the Board" as outlined in the Corporate Governance requirements as prescribed under Regulation 4(2)(f) of Listing Regulations.
- c) Accountability under the Director's Responsibility Statement.
- d) The role and duties of Independent Directors will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and Listing Regulations.

There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

- a) They shall act in accordance with the Company's Articles of Association.
- a) They shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company.
- b) They shall discharge their duties with due and reasonable care, skill and diligence.
- c) They shall not involve themselves in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- d) They shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates.

In addition to the above requirements, the Board of Directors also expect Independent Directors to perform the following functions:

- a) Constructively challenge and help develop proposals on strategy for growth of the Company.
- b) Evaluate the performance of management in meeting agreed goals and objectives.
- c) Satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are effective and defensible.
- d) Take responsibility for the processes for accurately reporting on performance and the financial position of the Company.
- e) Keep Governance and Compliance with the applicable legislation and regulations under review and the conformity of Company's practices to accepted norms.

TIME COMMITMENT

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

REMUNERATION

As Independent Directors, they may be paid sitting fees for attending the meetings of the Board and the Committees, as may be applicable, of which they are members. The sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time.

In addition to the sitting fees, commission that may be determined by the Board may also be payable to Independent Directors. In determining the amount of this commission, the Board, supported by the Nomination and Remuneration Committee, may consider the performance of the Company and their performance as evaluated by the Board. Further, the Company may pay or reimburse to the Director such expenditure, as may have been incurred while performing their role as an Independent Director of the Company. This could include reimbursement of expenditure incurred for accommodation, travel and any out of pocket expenses for attending Board/ Committee meetings, General Meetings, subject to the expense being reasonable,

Independent Professional Advice:

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

Training and Development:

The Company may, if required, conduct formal training program for its Independent Directors. The Company may, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the Company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

PERFORMANCE APPRAISAL / EVALUATION PROCESS:

As members of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each Director shall be done by all the other Directors. The evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board /Committee.

DISCLOSURE OF INTEREST:

1. Independent Directors agree to promptly notify the Company of any change in their directorships, Committee Memberships, Shareholdings in any company or companies or bodies corporate, firms or other association of individuals and provide such other disclosures and information as may be required under the applicable laws in prescribed format. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Directors of the Company, they shall promptly disclose the same to the Compliance Officer.
2. Independent Directors agree to promptly provide a declaration under Section

149(7) of the Companies Act, 2013 and Regulation 25(8) of Listing Regulations conforming that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations and disclosure of interest under Section 184(1) of the Act, at the first meeting of the Board in every financial year or whenever there is any change in circumstances which may affect your status as an Independent Director, at the first meeting of the Board after such change.

3. Independent Directors shall promptly intimate the Compliance Officer and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company

CODE OF CONDUCT

Independent Directors are required to comply with relevant regulations as contained in Schedule IV under Companies Act, 2013, including the following codes of conduct of the Company:

- a) Code of Conduct for Board of Directors and Senior Management,
- b) Code For Regulation And Prohibition of Insider Trading
- c) Whistle Blower Protection Policy Vigil Mechanism

And such other requirements as the Board of Directors may from time to time specify.

RELATED PARTY TRANSACTIONS

Independent Directors are required to notify to the Audit Committee and the Board of Directors, any transaction with a Related party, as defined in the Act, Listing Regulations, Accounting Standards, or such other regulations as may be amended from time to time.

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CONFIDENTIALITY

1. All information acquired during appointment is confidential to the Company and shall not be released, either during appointment or following termination (by whatever means) to third parties without prior clearance from the Company unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, Independent Directors shall surrender any documents and other materials information made available to them by the Company.
2. Attention is also drawn to the requirements under the applicable regulations and the Company's Insider Trading Code which concern the disclosure of unpublished price sensitive information and dealing in the securities of the Company. Consequently, Independent Directors should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Compliance Officer.

SEPARATE MEETINGS

1. The Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of management;
2. All the Independent Directors of the Company shall strive to be present at such meeting;
3. The meeting shall:
 - a) review the performance of Non-Independent Directors and the Board as a whole;
 - b) review the performance of the Chairman of the Company, if any taking into account the views of Executive Directors and Non-Executive Directors;
 - c) 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 their duties.

Note: These are the general Terms & Conditions of appointment of Independent Directors which are subject to modification / amendment.

[This Policy is approved and adopted by the Board of Directors in their meeting held on February 27, 2023]
