

A large, faded version of the NOVA logo watermark is centered in the background, featuring the word "NOVA" in light blue with the same sun/globe icon and wheat stalk as the main logo.

***Code of Conduct of Board of Directors and  
Senior Management Personnel***

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**NOVA AGRITECH LIMITED**

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## **Code of Conduct of Board of Directors and Senior Management Personnel**

### **INTRODUCTION**

Nova Agritech Limited (**the “Company”**) has formulated this code of conduct for Directors and Senior Management (“Code of Conduct”) pursuant to Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013, as amended.

This code shall be applicable to each member of the Board of Directors of the Company and Senior Management as described in more detail in Regulation 16(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This code shall be available at the website of the Company at [www.novaagri.in](http://www.novaagri.in).

### **OBJECTIVES**

Over the years, the Company conducted its business with very high ethical and moral standards. This has resulted in gaining a reputation as a professionally managed Company. As the Company grows and expands, it is extremely important to continue to exhibit high levels of ethical standards and professional behavior in everything that the Company does.

The Company is conscious of the reputation it carries amongst its customers and the public at large and shall endeavor to do all it can to sustain and improve upon the same in its discharge of obligations.

### **GUIDELINES OF PROFESSIONAL CONDUCT**

#### **A. Each member of the Board of Directors and Senior Management shall:**

- ✚ uphold ethical standards of integrity and probity;
- ✚ act objectively and constructively while exercising his duties;
- ✚ exercise his responsibilities in a bona fide manner in the interest of the Company;
- ✚ devote sufficient time & attention to his professional obligations for informed and balanced decision-making;
- ✚ not abuse his 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; and

- ✦ assist the Company in implementing the best corporate governance practice.

**B. Directors shall** not allow any extraneous considerations that will vitiate his 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 of the Company in its decision-making process.

**C. Independent Directors shall** refrain from any action that would lead to loss of their independence and shall safeguard the interests of all stakeholders; and where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly.

## ROLE AND FUNCTIONS

**A. The Directors shall:**

- ✦ bring an objective view in the evaluation of the performance of the Board and the management;
- ✦ scrutinize the performance of the management in meeting agreed on goals and objectives and monitor the reporting of performance;
- ✦ satisfy themselves on the integrity of financial information, and that the financial controls and systems of risk management are robust and defensible;
- ✦ safeguard the interests of all stakeholders;
- ✦ balance the conflicting interest of the stakeholders; and
- ✦ moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

**B. Additionally, the Independent Directors shall:**

- ✦ 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; and
- ✦ safeguard the interests of minority shareholders.

### A. The Independent Directors shall:

- ✦ undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company and its businesses;
- ✦ seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- ✦ strive to attend all meetings of the Board and of the committees of the Board of which they are members;
- ✦ participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- ✦ strive to attend the general meetings of the Company;
- ✦ where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the meeting of the Board;
- ✦ keep themselves well informed about the Company and the external environment in which it operates;
- ✦ not unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- ✦ pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- ✦ ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- ✦ report concerns about unethical behavior, actual or suspected fraud or violation of the Company's policy on code of conduct and business ethics;
- ✦ act within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- ✦ not disclose 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; and

- ✚ disclose to the Board, the directorship taken in any other body corporate.

**B. The Directors shall:**

- ✚ act in accordance with the articles of association of the Company;
- ✚ 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 interests of the Company, its employees, the shareholders, the community and for the protection of the environment; and
- ✚ exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.

**C. The Directors shall not:**

- ✚ involve themselves in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company;
- ✚ achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such Director is found guilty of making any undue gain, they shall be liable to pay an amount equal to that gain to the Company; or
- ✚ assign his office and any assignment so made shall be void.

## CONFLICT OF INTEREST

Conflict of interest occurs when the personal interest of any member of the Board of Directors and of the Senior Management interferes or appears to interfere in any way with the interests of the Company. Every member of the Board of Directors and Senior Management has a responsibility to the Company, its stakeholders and to each other.

Although this duty does not prevent them from engaging in personal transactions and investments, it does demand that they avoid situations where a conflict of interest might occur or appear to occur. They are expected to perform their duties in a way that they do not conflict with the Company's interest such as -

- ✚ Employment / Outside Employment - The members of the Senior Management are expected to devote their total attention to the business interests of the Company. They are prohibited from engaging in any activity that interferes with their performance or

responsibilities to the Company or otherwise is in conflict with or prejudicial to the Company.

- ✦ Business Interests - If any member of the Board of Directors and Senior Management considers investing in securities issued by the Company's customer, supplier or competitor, they should ensure that these investments do not compromise their responsibilities to the Company. Many factors including the size and nature of the investment; their ability to influence the Company's decisions, their access to confidential information of the Company, or of the other entity, and the nature of the relationship between the Company and the customer, supplier or competitor should be considered in determining whether a conflict exists. Additionally, they should disclose to the Company any interest that they have which may conflict with the business of the Company. Senior Management shall make disclosures to the Board relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large.
- ✦ Family members and close personal relationships: Directors and members of Senior Management shall not use personnel influence to make the Company do business with a Company/institution in which his or her relatives are interested. As a general rule, Directors and Senior Management shall avoid conducting Company's business with a relative or with an entity in which a relative is associated in any significant role. In case of conflicts, disclosure shall be made to the Board and prior approval shall be obtained.
- ✦ Other Directorships: The Directors must disclose their directorship and committee membership in the other companies and substantial shareholding in other companies and any change therein to the Board on an ongoing basis.
- ✦ Related Parties - In case of any dealings with the related party the transaction shall be in compliance under the Companies Act 2013, as amended, the SEBI Listing Regulation or any other applicable laws. Transactions/ dealing done on an arm's length basis shall not be considered to be conflict of interest.

## DISCLOSURE STANDARDS

The Company shall make full, fair and accurate disclosures in the periodic reports required to be filed with government and regulatory agencies. The members of the Senior Management of the Company shall initiate all actions deemed necessary for proper dissemination of relevant information to the Board, auditors, regulators and other statutory agencies, as may be required by applicable laws, rules and regulations.

The Board and Senior Management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining the confidentiality of information in order to foster a culture of good decision-making.

## COMPLIANCE WITH APPLICABLE LAWS

The Directors of the Company and Senior Management must comply with applicable laws, regulations, rules and regulatory orders both in letter and spirit. The Directors and members of Senior Management shall seek to acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to perform their obligations diligently.

## USE OF COMPANY'S ASSETS AND RESOURCES

Each member of the Board of Directors and the Senior Management has a duty to the Company to disclose its legitimate interests while dealing with the Company's assets and resources. Members of the Board of Directors and Senior Management are prohibited from:

- ✦ using corporate property, information or position for personal gain;
- ✦ soliciting, demanding, accepting or agreeing to accept anything of value from any person while dealing with the Company's assets and resources; and
- ✦ acting on behalf of the Company in any transaction in which they or any of their relative(s) have a significant direct or indirect interest.

## CONFIDENTIALITY AND FAIR DEALINGS

The Company's confidential information is a valuable asset. It includes without limitation any and all trade related information, trade secrets, confidential and privileged information, customer information, employee related information, strategies, administration, research in

connection with the Company and commercial, legal, scientific, technical data that are either provided to or made available to each member of the Board of Directors and the Senior Management by the Company either in tangible or intangible form to facilitate their work or that they are able to know or obtain access by virtue of their position with the Company. All confidential information must be used for Company's business purposes only.

This responsibility includes the safeguarding, securing and proper disposal of confidential information. This obligation extends to confidential information of third parties, which the Company has rightfully received under non-disclosure agreements. Special care must be taken by the Board of Directors and members of the Senior Management to handle the confidential information of others responsibly. Such confidential information should be handled in accordance with the agreements with such third parties.

To further the Company's business, confidential information may have to be disclosed to potential business partners. Care should be taken to divulge the most sensitive information, only after the said potential business partner has signed a confidentiality agreement with the Company.

Any publication or publicly made statement that might be perceived or construed as attributable to the Company, made outside the scope of any appropriate authority in the Company, should include a disclaimer that the publication or statement represents the views of the specific author and not the Company.

**Examples of confidential information include but are not restricted to:**

- ✚ Information not yet released to the public
- ✚ Unpublished company strategy
- ✚ Current or future R&D programs, technical breakthroughs and/or inventions
- ✚ Investments, planned mergers or acquisitions
- ✚ Information received from customers or partners
- ✚ Unpublished Financial data either actual or forecasted
- ✚ Employee information



## **INSIDER TRADING**

Director and members of the Senior Management shall not derive benefit or assist others to derive benefit by giving investment advice based on unpublished price sensitive information (defined in SEBI (Prohibition of Insider Trading) Regulations, 2015) about the Company and therefore constituting insider information. All Directors and members of the Senior Management shall comply with SEBI (Prohibition of Insider Trading) Regulations, 2015 and insider trading policy of the Company.

## **COMPETITION AND FAIR DEALINGS**

The Directors and members of Senior Management are obligated to deal fairly and honestly with each other, the Company's subsidiaries, joint ventures and associates and with the Company's customers, suppliers, competitors and other third parties. Directors and members of Senior Management shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair dealing or practice.

The Company is committed to free and open competition in the marketplace. Directors and members of Senior Management shall avoid actions that could reasonably be construed as being anti-competitive, monopolistic or otherwise contrary to laws governing competitive practices in the marketplace, including antitrust laws. Such actions include misappropriation and/or misuse of a competitor's confidential information or making false statements about the competitor's business and business practices.

## **ACCEPTANCE OF GIFTS AND PAYMENTS**

The Company requires that every Director and member of Senior Management should be fully compliant with the laws, statutes, rules, regulations and company's policy on ethics as framed from time to time that have the objective of preventing unlawful gains of any nature whatsoever.

Directors and the members of Senior Management shall not accept any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value from customers, suppliers, shareholders/ stakeholders, etc., that is perceived as intended, directly or indirectly,

to influence any business decision, any act or failure to act, any commission of fraud, or opportunity for the commission of any fraud.

### **EVALUATION MECHANISM OF INDEPENDENT DIRECTORS**

- ✦ The performance evaluation of Independent Directors shall be done by the entire Board, excluding the Independent 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 an Independent Director.

### **WAIVERS AND AMENDMENTS OF THE CODE**

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code is subject to modification. Any amendment/ inclusion or waiver of any provision of this Code must be approved by the Company's Board of Directors and promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendment or waiver.

### **ANNUAL AFFIRMATION**

All members of the Board of Directors and senior management personnel shall affirm compliance with this code on an annual basis.

### **AMENDMENT**

The Board (including its duly constituted committees wherever permissible), shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy. This Policy shall automatically stand amended to reflect any changes to the SEBI Regulations, to the extent the same is the subject matter of this Policy.

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

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