

TERMS AND CONDITIONS OF APPOINTMENT OF THE INDEPENDENT DIRECTORS OF THE COMPANY IN ACCORDANCE WITH THE REQUIREMENTS OF SCHEDULE IV TO THE COMPANIES ACT, 2013 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

1. Term of Appointment

- i) **Mr. Rajesh Jain:** Upon the recommendation of the Nomination and Remuneration Committee and the Board of Directors ("the Board") of Agro Tech Foods Limited ("the Company"), the shareholders of the Company have approved your appointment as Independent Director at the Annual General Meeting of the Company held on 30th September 2024. The term of your appointment as Independent Director (ID) of the Company is for a period of 3 consecutive years from the date of your appointment i.e 17th July 2024 till 16th July 2027. As an Independent Director, you will not be liable to retire by rotation. In terms of the Act, you may be eligible to serve as an Independent Director for another term of up to 5 years, subject to the recommendation of the Nomination and Remuneration Committee and passing of special resolution by the shareholders of the Company. The terms of your appointment, as set out in this letter, are subject to the extent provisions of the (i) applicable laws, including the Act and the Listing Regulations (as amended from time to time) and (ii) Articles of Association of the Company ("AOA").
- ii) **Ms. Richa Arora:** Upon the recommendation of the Nomination and Remuneration Committee and the Board of Directors ("the Board") of Agro Tech Foods Limited ("the Company"), the shareholders of the Company have approved your appointment as Independent Director at the Annual General Meeting of the Company held on 30th September 2024. The term of your appointment as Independent Director (ID) of the Company is for a period of 3 consecutive years from the date of your appointment i.e 17th July 2024 till 16th July 2027. As an Independent Director, you will not be liable to retire by rotation. In terms of the Act, you may be eligible to serve as an Independent Director for another term of up to 5 years, subject to the recommendation of the Nomination and Remuneration Committee and passing of special resolution by the shareholders of the Company. The terms of your appointment, as set out in this letter, are subject to the extent provisions of the (i) applicable laws, including the Act and the Listing Regulations (as amended from time to time) and (ii) Articles of Association of the Company ("AOA").
- iii) **Mr. Satish Rao:** Upon the recommendation of the Nomination and Remuneration Committee and the Board of Directors ("the Board") of Agro Tech

Agro Tech Foods Limited

Foods Limited (“the Company”), the shareholders of the Company have approved your appointment as Independent Director at the Annual General Meeting of the Company held on 30th September 2024. The term of your appointment as Independent Director (ID) of the Company is for a period of 3 consecutive years from the date of your appointment i.e 17th July 2024 till 16th July 2027. As an Independent Director, you will not be liable to retire by rotation. In terms of the Act, you may be eligible to serve as an Independent Director for another term of up to 5 years, subject to the recommendation of the Nomination and Remuneration Committee and passing of special resolution by the shareholders of the Company. The terms of your appointment, as set out in this letter, are subject to the extent provisions of the (i) applicable laws, including the Act and the Listing Regulations (as amended from time to time) and (ii) Articles of Association of the Company (“AOA”).

- iv) **Dr. Om Prakash Manchanda:** Upon the recommendation of the Nomination and Remuneration Committee and the Board of Directors (“the Board”) of Agro Tech Foods Limited (“the Company”), the shareholders of the Company have approved your appointment as Independent Director at the Extraordinary General Meeting of the Company held on 11th December 2024. The term of your appointment as Independent Director (ID) of the Company is for a period of 5 consecutive years from the date of your appointment i.e 15th November 2024 till 14th November 2029. As an Independent Director, you will not be liable to retire by rotation. In terms of the Act, you may be eligible to serve as an Independent Director for another term of up to 5 years, subject to the recommendation of the Nomination and Remuneration Committee and passing of special resolution by the shareholders of the Company. The terms of your appointment, as set out in this letter, are subject to the extent provisions of the (i) applicable laws, including the Act and the Listing Regulations (as amended from time to time) and (ii) Articles of Association of the Company (“AOA”).
- v) **Mr. Karamendra Daulet Singh:** Upon the recommendation of the Nomination and Remuneration Committee and the Board of Directors (“the Board”) of Agro Tech Foods Limited (“the Company”), the shareholders of the Company have approved your appointment as Independent Director at the Postal Ballot Meeting through remote e-voting concluded on 27th April 2025. The term of your appointment as Independent Director (ID) of the Company is for a period of 5 consecutive years from the date of your appointment i.e 06th February 2025 till 05th February 2030. As an Independent Director, you will not be liable to retire by rotation. In terms of the Act, you may be eligible to serve as an Independent Director for another term of up to 5 years, subject to the recommendation of the Nomination and Remuneration Committee and passing of special resolution by the shareholders of the Company. The terms of your appointment, as set out in this letter, are subject to the extent provisions of the (i) applicable laws, including

Agro Tech Foods Limited

the Act and the Listing Regulations (as amended from time to time) and (ii) Articles of Association of the Company ("AOA").

2. Board Committees

2.1. During the tenure of office, the Independent Directors may be required to serve on one or more of the Committees of the Board established by the Company, on the advice of the Board from time to time. Upon their re-appointment, they will continue to serve as member of the existing Committees until any further advice issued by the Board. Upon their appointment to any newly established Committee(s), they will be provided with the appropriate Committee Charter which sets out the role and functions of that Committee.

2.2. Currently, the Board has five committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. All committees have a majority of the Members as Independent directors. The Board is responsible for constituting, assigning, co-opting and fixing terms of service for committee members. The chairperson of the Board, in consultation with the Company Secretary and the Committee Chairperson, determines the frequency and duration of the committee meetings. Normally, the Audit committee and Stakeholders Relationship Committee meet four times a year and rest of the committees meet as and when required. Recommendations of the committees are submitted to the full Board for approval. The quorum for meetings is either two members of the committee or one-third of the members of the committee, whichever is higher.

2.3. The Independent Directors may be required to serve on one or more of the following committees, until any further advice of the Board:

(A) Audit Committee

The Audit Committee has the full power and authority to monitor and provide effective processes, including external and internal auditors and officers of the Company, and the financial controls and systems to ensure integrity of the financial reporting of the Company and accurate and timely disclosures.

(B) Nomination and Remuneration Committee

The purpose of this Committee is to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

(C) Stakeholders Relationship Committee

This committee has a mandate to review and redress shareholder grievances.

Agro Tech Foods Limited

(D) Corporate Social Responsibility Committee

The purpose of the CSR Committee is to formulate a CSR policy for the Company, to indicate the activities to be undertaken by the Company, and to recommend the amount of expenditure to be incurred on the abovementioned activities and monitor the CSR policy from time to time.

(E) Risk Management Committee

The purpose of the Risk Management Committee is to monitor and review the framed and implemented risk management plan of the Company, to review the material risks and steps taken by the Management to mitigate the risks of the Company periodically and to ensure that the systems of risk management are robust and defensible.

3. Orientation of the Board

Every new independent director of the Board attends on orientation program. Presentations are made wherever necessary. The presentations cover an overview of our strategy and operations to familiarize the new inductees about the strategy, operations and functions of our company. The induction program will provide an opportunity to interact with the leadership team of the Company and help the inductees understand the Company's strategy, operations, service and product offerings, markets, finance, HR, technology, quality, facilities and risk management. The Independent Directors will also undergo a refresher training program regarding their role, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc.

4. Professional Conduct

As an Independent Director, you shall:

- a) uphold ethical standards of integrity and probity;
- b) act objectively and constructively while exercising your duties;
- c) exercise your responsibilities in a bonafide manner in the interest of the Company;
- d) devote sufficient time and attention to your professional obligations for informed and balanced decision-making;
- e) not allow any extraneous considerations to distract the 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 where necessary;
- f) not abuse your position to the detriment of the Company or its shareholders or for gaining directly or indirectly any personal advantage or gain for yourself or any related persons;

Agro Tech Foods Limited

- g) refrain from any action that could lead to a loss of your independence;
- h) ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly;
- i) assist the Company in implementing the best corporate governance practices.

5. Role, duties and responsibilities

- A. As a member of the Board the Independent Directors will be collectively responsible for meeting the objectives of the Board which include:
 - Requirements under the Companies Act, 2013,
 - Responsibilities of the Board as outlined in the Listing Regulations,
 - Accountability under the Directors' Responsibility Statement.
- B. The Independent Directors shall abide by the 'Code For Independent Directors' as outlined in Schedule IV to Section 149(8) of the Act, and the duties of directors as provided in the Act (including Section 166) and in Regulation 4(2)(f) of the Listing Regulations.
- C. The Independent Directors will provide guidance in their area of expertise.

6. Functions, Responsibilities and Duties of Independent Directors

6.1 Functions:

- (a) To review the Company's strategy, the annual financial plan and monitor the Company's performance:

The primary role of the members of the Board is to exercise their independent business judgment to act in what they believe to be in the best interests of the Company and its shareholders in terms of issues of strategy, performance, risk management, resources, key appointments and standards of conduct. Generally, the Board meets once a quarter. The quarterly meeting of the Board includes updates on the business/operations, finance and other support functions and discussions on such updates. The Audit Committee of the Board reviews the Company's financials and recommends the same to the Board for its acceptance.

- (b) To review management performance and compensation:

The Nomination and Remuneration Committee of the Board shall evaluate the performance of the Leadership Team of the Company and recommend their compensation for the ensuing year to the Board. Such compensation may include stocks, options and define other criterion including succession of the leadership team as specified under the Companies Act, 2013 and publish the same in the Directors' Report. The Board shall also scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.

Agro Tech Foods Limited

- (c) To advice and counsel the Management:

The Board should be composed of individuals whose knowledge, background, experience and judgment are valuable to the Company. They should also be capable of providing advice to the Company. Members of the Board have full access to the Management and other employees as well as to the Company's records and documents. The Board may also seek legal or other expert advice from a source independent of the Management. The Board shall also moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

- (d) To monitor and manage potential conflicts of interests of the Management:

The Audit Committee of the Board reviews and approves related party transactions, as required under the provisions of the Companies Act, 2013 and under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended from time to time.

- (e) To oversee and ensure the integrity of financial information and legal compliance:

The Audit Committee of the Board oversees the Company's accounting and financial reporting processes and audit of the Company's financial statements and assists the Board in the overseeing of (1) the integrity of the Company's financial statements, (2) the Company's compliance with legal and regulatory requirements, (3) the independent auditor's qualifications, independence and performance, and (4) the Company's internal accounting and financial controls.

6.2 Responsibilities:

Independent directors have the same general legal responsibilities and liabilities to the Company as that of any other director. The Board, as a whole, is collectively responsible for ensuring the success of the Company by directing and supervising the Company's affairs.

The Board:

- (a) Provides leadership to the Company within a framework of prudent and effective controls which enable risk to be assessed and managed;
- (b) sets the Company's strategic aims, ensures that the necessary financial and human resource requirements are in place for the Company to meet its objectives, and reviews management performance;
- (c) sets the Company's virtues and standards, ensures that its obligations to its shareholders and others are understood and met by the Company.

6.3 Duties:

The Independent Directors shall:

- (a) regularly update and refresh their skills, knowledge and familiarity with the Company;
- (b) seek appropriate clarification and, where necessary, seek and follow appropriate professional guidance from external experts at the cost of the Company;
- (c) strive to attend every meeting of the Board and of the Board committees of which they are a member;
- (d) actively and constructively participate in the Board committees of the Board in which they may be a member or the Chairperson;
- (e) strive to attend the general meetings of the Company;
- (f) ensure that any concerns that they may have about the running of the Company are addressed by the Board and seek inclusion of these concerns in the Board minutes to the extent these concerns are not resolved;
- (g) keep themselves well informed about the Company and the external environment in which it operates;
- (h) not unfairly obstruct the functioning of an otherwise proper Board or committee;
- (i) ensure that related party transactions are considered carefully before they are approved and are in the interest of the Company;
- (j) ensure that the whistleblower function of the Company is functioning adequately;
- (k) report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics;
- (l) within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- (m) not disclose any confidential information unless such disclosures are expressly approved by the Board or required by law;
- (n) not take up any role or position, whether directorial or advisory or otherwise in other Food Companies which may give rise to conflicts of interest.

7. Fees:

- 7.1 The Independent Directors will be paid sitting fees for attending the meetings of the Board and the Committees of which they are a member. The sitting fees for attending

Agro Tech Foods Limited

each meeting of the Board and its Committees would be as determined by the Board from time to time. Currently, the Sitting fees is paid at the rate of Rs. 1,00,000/- per Meeting of the Board, Rs. 75,000/- per Audit Committee and Rs. 25,000/- for any other Committee thereof.

- 7.2 The compensation of the non-executive independent directors is approved by the Board subject to the approval of the shareholders. This amount shall not exceed 1% of the net profit of the Company for the year calculated as per the provisions of the Companies Act, 2013. In addition to the sitting fees, profit related commission may also be paid to Independent Directors, which is approved by the Shareholders by way of Postal Ballot Meeting through remote e-voting concluded on 27th April 2025, at the rate of maximum upto Rs. 15,00,000/- annually to each Director. The shareholders' approved for the payment of Rs.15,00,000/- per annum per independent director as commission even in case of inadequate profit or loss in any financial year and this approval will be valid for 3 years. In determining the amount of commission payable, the Board, supported by the Nomination and Remuneration Committee, shall consider performance of the Company as well as Independent Directors' performance as evaluated by the Board.
- 7.3. In addition to the above, non-executive /independent directors would be entitled to the reimbursement of only the following items of expenditure that may be incurred in travelling to the place of the Board meetings and other committee meetings of the Company and back to their normal place of residence.
- (a) Airfare from the normal place of residence to the place of the Board or Committee meetings and back to their place of residence.
 - (b) Accommodation at any hotel as determined by the Company for the duration of Board and Committee Meetings, and during the day prior to and after such meetings.
 - (c) Out-of-Pocket expenses, like conveyance, food, and incidentals that are incurred during the days of Board and Committee meetings.

8. D & O Insurance

The Company maintains a Directors and Officers Insurance policy (D&O Policy) amounting to USD 10 MM to pay for the personal liability of Directors and Officers for claims made against them while serving on the Board and / or as an officer of the Company.

9. Performance Evaluation

Independent Directors shall also be subject to performance evaluation as per the criterion laid down by the Nomination and Remuneration Committee. This evaluation shall be carried out by the entire Board of Directors excluding the Director being

Agro Tech Foods Limited

evaluated and it shall be determined whether to extend or continue the term of appointment of the independent director.

10. Disclosures, other directorships and business interests

It is accepted and acknowledged that Independent Directors have business interests other than those of the Company and have declared conflicts, if any that are apparent at present. In the event that Independent Directors become aware of any potential conflict of interest with their position as Director of the Company, they shall promptly disclose the same to the Chairman and the Company Secretary and provide such other disclosures and information as may be required under the applicable laws. By signing this letter, the Independent Directors hereby confirm that as on date of this letter, they have no such conflict of interests with their existing directorships.

Upon any change in circumstances which may affect their status as an Independent Director, they agree to promptly provide a declaration under Section 149(7) of the Act.

11. Membership of other boards

It is expected that Independent Directors will not serve on the Boards of competing companies. Apart from the applicable law and good corporate governance practices, there are no other additional limitations.

12. Information on meetings

12.1 Scheduling and selection of agenda items for Board Meetings

Dates for Board meeting for the ensuing year are decided in advance. Normally, the Board meets once in a quarter to review the quarterly results and other items on agenda. Additional meetings are held based on need.

12.2 Availability of information to the Board

The Board has full and unfettered access to any information of the Company, and to any employee of the Company. At Board Meetings, the Board may invite Leadership Team Members of the Company when additional details into the items being discussed are required.

12.3 Independent directors' discussion

Annually and when required, the Independent Directors meet without the presence of Non-Independent Directors and members of the Management. At this meeting, the Independent Directors *inter alia* evaluate the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluate the performance of the Chairman of the Board and discuss aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

13. Mechanism for evaluating Board Members:

The Chairperson of Nomination and Remuneration Committee shall conduct an annual Board evaluation and a peer evaluation survey to assess the performance of the Board and the Committees as a whole and that of the individual Board and Committee members. Performance is assessed based on clearly defined objective criteria as decided by the Nomination and Remuneration Committee.

Some of the performance indicators based on which the independent directors are evaluated are:

- (a) ability to contribute to and monitor our corporate governance practices;
- (b) ability to contribute by introducing international best practices to address top management issues;
- (c) active participation in long term strategic planning;
- (d) commitment to the fulfillment of Director's obligations; and
- (e) fiduciary responsibilities
- (f) Independence, Independent views and judgement

14. Dealing in shares and Code of Conduct

The Independent Director of the Company agree to comply with the Company's Code of Conduct for Independent Directors (**IDs**). For reference, the Code of Conduct for IDs is provided on Company website <https://www.atfoods.com/pdf/code-of-conduct/codeofconductsep-16a.pdf>

The Independent Directors will appreciate that all information acquired during their appointment is confidential to the Company and should not be released, communicated, nor disclosed either during their appointment or following termination (by whatever means), to third parties without prior clearance from the Company. This restriction shall cease to apply to any confidential information which may (other than by reason of their breach) become available to the public generally. The Independent Directors acknowledge the need to hold and retain Company information (in whatever format you may receive it) under appropriately secure conditions. Their obligation of confidentiality shall survive cessation of their directorship with the Company.

Additionally, they shall not participate in any business activity which might impede the application of their independent judgment in the best interest of the Company.

They are required to sign a confirmation of acceptance of the ATFL's Code of Conduct for IDs as adopted by the Board on an annual basis.

We would also like to draw attention to the applicability of both, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the ATFL Code of Conduct on Prevention of Insider Trading, prohibiting communication or use of unpublished price sensitive information. Being a Director of the Company, the Independent Directors are classified as a designated person of the Company and hence are prohibited from dealing in the Company's securities during the period when the trading window is closed.

Further, for the purpose of compliance with insider trading regulations, they are required to inform in writing to the Compliance Officer of the Company, trade(s) in securities of Company where the cumulative trade whether in one or more transaction, exceeds ₹10 lacs in any financial year.

15. Disengagement

The Independent Directors may resign as Director of the Company by giving notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by them in the notice, whichever is later.

16. Miscellaneous

The terms of appointment contained in this letter along with their detailed profile shall be disclosed on the website of the Company and the relevant stock exchanges.

17. Acceptance of Appointment

Please confirm your acceptance of the above terms by signing and returning the enclosed duplicate copy of this letter.

We look forward to your support and commitment towards the Company.

Yours Truly,

Agro Tech Foods Limited

Chairperson

18. Agree and Accept

I have read and understood the terms of my appointment as an Independent Director of the Company and I hereby affirm my acceptance to the same.

Name:

Place:

Date: