

**CEIGALL INDIA LIMITED**

**POLICY ON SUCCESSION PLANNING FOR THE BOARD AND SENIOR  
MANAGEMENT PERSONNEL**

**1. BACKGROUND**

The Securities and Exchange Board of India has mandated the need for a Succession Planning Policy pursuant to regulation 17(4) of the SEBI Listing Regulations. This is one of the most significant attempts to ensure that investors do not suffer due to sudden or unplanned gaps in leadership. It is a mandate for Boards of all listed companies to develop an action plan for successful transition of key executives. Pursuant to the SEBI Listing Regulations, Ceigall India Limited is required to put in place a plan for orderly succession for appointment to the Board of Directors and Senior Management Personnel.

The primary objective of this Policy is to ensure the availability of capable individuals to assume leadership roles in a time of need. The benefit of Succession Planning is to reduce the risk associated with the loss of experienced leadership. Succession Planning ensures that business continues to run smoothly after the business's most important people move on to new opportunities, retire or pass away.

Accordingly, the Company has formulated this Succession Plan for the appointment of the Directors on the Board and Senior Management Personnel to give effect to the provisions of the SEBI Listing Regulations.

**2. APPLICABILITY**

This Policy shall be applicable to

- a. All members of the Board of Directors of the Company and
- b. senior management" shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer or Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the *persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity.*

The Policy shall become effective from 02-03-2024.

**3. DEFINITIONS**

- a. **Board** means Board of Directors of the Company.
- b. **Company** means Ceigall India Limited.
- c. **Directors** means all members of the Board of Directors of the Company.
- d. **Nomination and Remuneration Committee or NRC** shall mean Nomination and Remuneration Committee of the Company.
- e. **Policy** means Policy on Succession Planning for the Board and Senior Management Personnel.
- f. **SEBI Listing Regulations** means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- g. **senior management** shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer or Manager, in case they are not part of the Board of Directors) and shall

specifically include the functional heads, by whatever name called and the *persons identified and designated a key managerial personnel, other than the board of directors, by the listed entity.*

**h. Succession Plan** means Succession Plan formulated by the Company.

#### **4. PRINCIPLES & OBJECTIVES**

**Major principles and objectives of the Policy are as under**

- a. Ensure that the Company has a Succession Plan to support operations and service continuity when senior business leaders vacate their positions.
- b. Prepare a supply of suitably qualified and motivated employees for higher roles and responsibilities.
- c. Identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
- d. Identify the key job incumbents in SMP and recommend whether the concerned individual (i) be granted an extension in term/service or (ii) be replaced with an identified internal or external candidate or recruit other suitable candidate(s) as per the service rules of the Company.
- e. Ensure systematic and long-term development of individuals in the SMP level to replace when the need arises due to death, disability, retirement or any other unexpected occurrence.

#### **5. SUCCESSION PLANNING FOR APPOINTMENT OF DIRECTORS AND SMPs**

The NRC shall review the leadership needs of the Company from time to time.

- a. Board - The NRC shall proactively review the succession requirements for the Board and carry out the due diligence process to determine the suitability of every prospective person for being appointed or re-appointed as a Director of the Company based on his educational qualification, relevant experience, track record, reputation etc. The proposed candidate shall be evaluated by the NRC to determine the eligibility and fit and proper criteria as per the Companies Act 2013, and thereafter such candidature shall be recommended to the Board for its consideration and approval.
- b. SMP - Based on the inputs received from the Human Resource department, the NRC shall periodically review any vacancy/probable vacancy in the position of SMP which may arise on account of retirement, resignation, death, removal, transfer, business expansion, incapacity whether temporary or permanent or otherwise.

There are three types of Directors being appointed on the Board of the Company – Executive, Non-Executive and Independent Directors.

In light of the above, the NRC shall consider the candidature of the Directors and then recommend to the Board. In case of SMP, such appointments shall be taken up as required as per its terms of references for advising the management. The NRC or the Board shall act according to the provisions laid down herein above, subject to necessary approvals before such appointments or re-appointments.

In this context, the new requirements as per the business plans and other positions which may arise as per business requirements should be suitably incorporated in the service rules of the Company. Key compensation elements shall be dealt under the service rules for SMP which is reviewed by the NRC and the Board as and when necessary.

For appointment of an external candidate, selection of the suitable candidate shall be prompt and planned, so that the appointment is before the retirement/relieving to ensure the smooth transition.

- a. The NRC upon the recommendations of the Human Resource department shall periodically review and consider the list of SMP due for retirement/attrition within the year. The NRC shall also consider the new vacancies that may arise because of business needs/up-gradation of department(s)/ regional office(s). Considering the above, the NRC shall assess the availability of suitable candidates for the Company's future growth and development. Further, based on the recommendation of the Chief Executive Officer and Managing Director and Human Resource department, the NRC shall identify the competency requirements of Board/key positions, assess potential candidates and develop required competency through planned development and learning initiatives. The NRC may utilize the services of professional search firms to assist in identifying and evaluating potential candidates.
- b. The NRC shall periodically review and consider the list of SMP due for retirement/ vacancies arising out of attrition during the year.
- c. Develop a data bank of potential candidates and the source for procuring candidates, such as, through nationally reputed Human Resource consultants / agency.

- d. Consider new vacancies that may arise due to the business needs/restructuring of functions/departments.
- e. In case the SMP is due for retirement, will review the possibility of an extension of such personnel on basis of the health, age, and the person's willingness to continue for an extended term. In case, if an extension is possible, the Board will send such case to the NRC for its approval.
- f. In case if such position is to be filled through internally or externally, NRC will evaluate the suitable candidates for the said positions internally as well as externally on basis of the criteria such as job role, experience, leadership qualities, competencies, track record etc.

The Chief Executive Officer and Managing Director and Human Resource department of the Company shall, from time to time identify high-potential employees who merit faster career progression to positions of higher responsibility and formulate, administer, monitor and review the process of skill development and identify the training requirements.

In the event of any unexpected occurrence in respect of any member in the core management team, the next person as per the organization chart (as far as practicable) shall take interim charge of the position, pending a regular appointment in terms of the Succession Plan.

In addition to the above, the appointment of senior personnel such as Chief Financial Officer, Company Secretary and other compliance professionals like the Chief Risk Officer, Compliance Officer, shall be in compliance with all applicable provisions of the Companies Act, SEBI Listing Regulations, and such other laws as applicable to such appointments.

The Board shall review this Policy periodically and if required, will make suitable changes in this Policy keeping in view any regulatory changes or changes in the business environment.

## **6. DISCLOSURES IN THE BOARD' S REPORT**

The disclosures as required under the relevant provisions of the Companies Act, 2013, the rules made there under and the SEBI Listing Regulations shall be made as per the provisions.

## **7. AMENDMENT**

Any change in the Policy shall be approved by the Board. The Board shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. Any subsequent amendment/modification in the Act or the rules framed thereunder or the SEBI Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.

## **8. COMPLIANCE**

The NRC would be responsible for supervision of the Policy. Any queries regarding this Policy may be referred to the NRC, who is in charge of administering, enforcing and updating this Policy.

## **9. INTERPRETATION**

In any circumstance where the terms of this Policy are inconsistent with any existing or newly enacted law, rule, regulation or standard governing the Company, the said law, rule, regulation or standard will take precedence over this Policy.

## **10. VERSION HISTORY**

<b>Approval date</b>	<b>Revision date</b>	<b>Description</b>
02-03-2024	09-02-2026	Original Policy