

**CREMICA AGRO FOODS LIMITED**

**SUCCESSION PLAN**

**FOR**

**APPOINTMENT OF  
THE BOARD OF DIRECTORS  
AND  
THE SENIOR MANAGEMENT**

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## 1. LEGAL FRAMEWORK

According to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (the “Listing Regulations”), the Board has to satisfy that the Company has orderly succession plan for appointment of members of the Board and Senior Management.

The Company recognizes that succession planning is an essential component to avoid any sudden or unplanned leadership gaps.

Accordingly, the succession plan of the Company has been prepared and is in place to ensure to timely identify high growth individuals, train them and feed the pipelines with talents to ensure leadership continuity and to avoid any sudden or unplanned leadership change.

## 2. EFFECTIVE DATE

The Policy is effective pursuant to provisions of SEBI (LODR) and shall come into force with effect from the date of such Regulations taking effect with respect to the Company.

## 3. OBJECTIVES

The objectives of the succession plan of the Company inter-alia, include the following:

- a) To identify and nominate suitable candidates for the Board’s approval to fill the vacancies which arises in the Board from time to time.
- b) To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
- c) To identify the key job incumbents in Senior Managerial positions and recommend whether the concerned individual (i) be granted an extension in term/service or (b) be replaced with an identified internal or external candidate or recruit other suitable candidate(s).
- d) To ensure the systematic and long-term development of individuals in the senior management level to replace when the need arises due to deaths, disabilities, retirements, and other unexpected occurrence.
- e) To develop career paths for employees which will facilitate the company’s ability to recruit and retain top-performing or high talent employees;

## 4. DEFINITIONS

“**Act**” means the Companies Act, 2013(or the Companies Act, 1956 to the extent applicable) and Rules made thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended.

“**Board**” means Board of Directors of the Company for the time being.

“**Company**” means Cremica Agro Foods Limited.

“**Director**” means a director appointed to the Board of the Company.

“**Listing Regulations or SEBI (LODR)**” mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified by The Securities and Exchange Board of India, as amended, from time to time.

**“Nomination and Remuneration Committee (NRC)”** means a Committee of Directors constituted under the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations.

**“Plan”** means Succession plan for the appointment of the Board of Directors and Senior Management.

**“SEBI”** means the Securities and Exchange Board of India.

**“Senior Management”** mean personnel of the Company who are the members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the executive directors, including all functional heads.

## 5. APPLICABILITY

The Succession plan is applicable to the following personnel:

1. Managing Director & CEO and other members of the Board of Directors;
2. Senior Managerial Position:-
  - i) General Manager (s) & above
  - ii) Chief Financial Officer
  - iii) Company Secretary
  - iv) Compliance officer
3. Any other positions within the Company at the discretion of the Managing Director in consultation with the Board.

## 6. KEY CONSIDERATIONS IN SUCCESSION PLANNING PROCESS

The key considerations in the succession planning process are as follows:

- Identify the long term vision and direction of the organization. (Strategic Plan)
- Review the mission and values of the organization.
- Determine who the key leadership people are to be developed and nurtured for the future.
- Determine which positions need a succession plan.
- Identify core competencies and skills needed to lead the organization.
  - Determine talents needed for the long term
  - Review current job description and revise and update.
  - Review remuneration history, budget, and market trend related to remuneration for such position
  - Seek key stakeholder input
- Determine interim management and leadership plan for unplanned leaves
  - Appointing an acting director from inside organization or contracting with another person for specified time period or until another person is hired
  - Develop timeline and position description for interim position
- Hiring a Permanent CEO/Executive Director for Planned Exit
- Determine recruitment strategies

## **7. SUCCESSION PLAN FOR THE BOARD**

The Nomination & Remuneration Committee of the Board shall review the leadership needs of the Company from time to time. The Nomination and Remuneration Committee of the Board, shall apply a due diligence process to determine the suitability of every person who is being considered for being appointed or re- appointed as a Director of the company based on his educational qualification, experience & track record and accordingly any appointment or re-appointment of a Director shall be subject to prior approval by Nomination & Remuneration Committee of the Company.

The Company also has a Nomination and Remuneration Policy in place to guide the Board in relation to appointment/reappointment/removal of Directors and to devise criteria for performance evaluation of Independent Directors and the Board and to ensure adequate diversity in the Board to make good use of the varied skills, regional and industry experience, background, gender and other qualities of the Directors.

Accordingly, the appointment/re-appointment/removal and tenure of the Directors including the CEO & Managing Director of the Company shall be governed by the provisions of Nomination & Remuneration Policy of the Company.

## **8. SUCCESSION PLAN FOR THE SENIOR MANAGEMENT**

The Nomination and Remuneration Committee shall periodically review and consider the list of senior managerial personnel due for retirement within next one year. It shall also consider the new vacancies that may arise because of business needs/up-gradation of Department(s). Considering the above, the Committee shall assess the availability of suitable candidates for the Company's future growth and development. Further, based on the recommendation of the CEO & Managing Director, Executive Director(s), KMP's, Head of the concerned Department, Head of the Human Resource and other concerned, the NRC:

- a) Shall evaluate the incumbent after considering all relevant criteria like experience, age, leadership quality etc. and recommend to the Board whether the concerned individual be granted an extension in term/service or be replaced with an identified internal or external candidates.
  - b) Shall identify the competency requirements of Board/key positions, assess potential candidates and develop required competency through planned development and learning initiatives. The Committee may utilize the services of professional search firms to assist in identifying and evaluating potential candidates.
  - c) May recommend to the Board of Directors to appoint other suitable external candidate(s) as special recruitment in senior managerial level based on job roles and competency in order to provide a continuous flow of talented people to meet the organizational needs.
- The recommendation of the NRC shall be placed to the Board for approval. While making its recommendation, the NRC shall consult with the concerned and all factors including the available talent within the organization and the need to ensure continues working and growth of the Company

shall be carefully considered.

- The CEO & Managing Director, Executive Directors and Head- Human Resources shall from time to time identify high-potential employees who merit faster career progression to position of higher responsibility and formulate, administer, monitor & review the process of skill development and identify the training requirements.

Every member of the senior management team shall always endeavor to add capability in-house and mentor officials with potential working under him to handle his responsibility in his absence by exposing him to all aspects of work being handled by him.

Appointment of Key Managerial Personnel such as Company Secretary, Chief Financial Officer and other Compliance Professionals shall be made in compliance with and conforming applicable provisions of relevant laws.

## **9. EMERGENCY SUCCESSION**

If a Director's slot/Senior Management's position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Chairman of the NRC Committee or Managing Director shall convene a special meeting as early as possible to implement the process described herein, subject to the necessity involved.

## **10. DISCLOSURE**

The Succession plan shall be disclosed on the website of the Company.

## **11. REVIEW AND AMENDMENTS TO THE POLICY**

- The Board shall review the succession plan periodically and if required, will make suitable changes keeping in view to the regulatory changes or changes due to business environment.
- Chief Executive Officer / any other person so authorised by the Board from time to time shall be empowered to update the plan in line with regulatory requirement and make suitable changes in the existing plan subject to approval of Nomination and Remuneration Committee.

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