

BEARDSSELL LIMITED
CIN: L65991TN1936PLC001428
POLICY ON SUCCESSION PLANNING FOR THE BOARD AND SENIOR MANAGEMENT

BACKGROUND:

Succession planning is an essential component to the survival and growth of any business as a tool to ensure leadership continuity.

Regulation 17(4) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (hereinafter referred to as the 'LODR Regulations'), *inter alia*, reads, the Board of Directors of the listed entity shall satisfy itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management.

OBJECTIVE:

The objective of the succession planning program, *inter-alia*, include the following:

- (a) To identify and nominate suitable candidates for the Board's approval (including Nomination and Remuneration Committee) to fill the vacancies which arises in the Board of the Company 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 (ii) 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.

DEFINITIONS:

- (i) "Nomination and Remuneration Committee" or "NRC" means the Committee of the Board constituted/re-constituted, from time to time, under the provisions of Regulation 19 of the LODR Regulations, read with Section 178 of the Companies Act, 2013.
- (ii) "Board of Directors" or "Board" means the Board of Directors of the Company as constituted/re-constituted, from time to time.
- (iii) "Company" means Beardsell Limited.
- (iv) "Policy" or "this Policy" means Succession Planning Policy.
- (v) "Senior Managerial Personnel" means personnel of the Company who are 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 KMPs and functional heads.

Words and expressions used but not defined in this Policy shall have the meanings respectively assigned to them in the Companies Act, 2013 or SEBI (LODR) Regulations, 2015.

PROCEDURE:

i. Succession Plan for Board of Directors:

The Nomination and Remuneration Committee of the Company shall identify suitable persons from amongst the existing top management personnel or from the outside to fill up the vacancy at the Board level. The NRC shall apply a due diligence process to determine suitability of person(s) being considered for appointment or re-appointment as a Director based on, *inter alia*, educational qualification and expertise in specific fields 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. The appointment / reappointment / removal and tenure of directors shall be governed by Company's Nomination & Remuneration Policy.

ii. Succession Plan for Senior Managerial Personnel:

The vacancy or fresh appointments at the Senior Management level shall be in line with the internal policy(ies) adopted by the management, keeping in view the organization's mission, vision, values, goals and objectives. Based on the recommendations received from the Executive Director(s) / the Head - Human Resources periodically, the Nomination and Remuneration Committee shall assess the availability of senior managerial personnel for Company's future growth and development, considering the imminent retirement/ attrition, new vacancies for business expansion and other details. The Committee, may also evaluate the incumbents after considering all relevant criteria like experience, age, health, leadership quality etc. and recommend whether the concerned individual, be granted an extension in term / service or be replaced with an identified internal or external candidates.

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 and hierarchy shall take interim charge of the position, pending a regular appointment in terms of the succession plan.

iii. The appointment of the person at the Board and KMP level shall be in accordance with the applicable provisions of the Companies Act, 2013, and SEBI (LODR) Regulations, 2015, or any other laws as applicable to the Company.

REVIEW AND AMENDMENTS TO THE POLICY:

The Board shall review the policy periodically and reserves the right to amend this Policy from time to time based on changing requirements as prescribed by SEBI / Stock Exchange(s) or any other appropriate Statutory Authority.