



**POLICY ON
SUCCESSION PLANNING
FOR
THE BOARD
AND
SENIOR MANAGEMENT
OF
SHARDA CROPCHEM LIMITED**



Introduction

In accordance with Regulation 17(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “SEBI Listing Regulations”), the Securities and Exchange Board of India (SEBI) mandates all listed entities to establish a formal succession policy. This regulatory requirement is designed to safeguard investor interests by ensuring continuity in leadership and avoiding disruption due to unforeseen or unplanned executive departures.

Succession planning plays a vital role in ensuring the long-term success and sustainable growth of any organization. It serves as a strategic tool to maintain operational efficiency and leadership continuity. An effective succession plan identifies high-potential individuals, nurtures their development, and builds a robust talent pipeline to meet future leadership needs.

At Sharda Cropchem Limited (the “Company”), we recognize the critical importance of succession planning in maintaining seamless operations and achieving long-term business objectives. Certain key roles within the Company are instrumental to both current performance and future growth. Accordingly, it is imperative that such roles are occupied by competent and qualified individuals. To mitigate the risk of leadership gaps, the Company has adopted a comprehensive **Succession Planning Policy** for the Board and Senior Management (the “Policy”). This Policy ensures that key positions are filled in a timely manner with the most suitable candidates, enabling smooth leadership transitions and organizational stability.

Definition

“**Company**” shall mean Sharda Cropchem Limited.

“**Board of Directors**” or “**Board**” means the Board of Directors of the Company in terms of Regulation 2(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the LODR regulations) as constituted from time to time.

“**Key Managerial Personnel**” shall mean key managerial personnel (KMPs) as defined in sub-section (51) of Section 2 of the Companies Act, 2013.

“**Listed Entity**” means any entity which has listed its securities on recognized stock exchange(s), in accordance with the listing agreement entered into with the stock exchange(s).

“**Listing Regulations**” or “**LODR**” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.

“**Policy**” means this Policy on Succession Planning for the Board and Senior Management including any amendments, if any made from time to time.

“**Senior Management Personnel**” means;

- a) Managing Director
- b) Chief Executive Officer
- c) Chief Financial Officer
- d) Company Secretary & Compliance Officer
- e) All Departmental/Functional Head of different functions of the Company (by whatever designation they are called)



Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the LODR or any other applicable law or regulation to the extent applicable to the Company.

Objectives

- To identify and nominate suitable candidates for the approval of the board of directors of the Company (“Board”) to fill any vacancy(ies) which may arise in the Board, from time to time;
- To identify the competency requirements of critical and key positions in the Company, assess potential candidates and develop required competency through planned development and learning initiatives;
- To identify the key job incumbents in Senior Management and recommend whether the concerned individual: (a) be granted an extension in term/ service; or (b) be replaced with an identified internal or external candidate or recruit other suitable candidate(s); and
- To ensure the systematic and long-term development of individuals in the Senior Management level and to replace when the need arises due to resignations, death, disabilities, retirements, and other unexpected occurrence.

Applicability

The Policy shall be applicable for succession planning of the following personnel:

- Board of Directors
- Whole-time Directors including Managing Director & CEO
- Chief Financial Officer
- Company Secretary
- Senior Management

Succession plan for the Board and Senior Management

The Nomination and Remuneration Committee of the Board (the “Committee”) shall review the leadership needs of the Company, from time to time.

a. Succession plan for the Board:

The Committee shall determine the suitability of every person who is being considered for appointment or re-appointment as a director based on his/ her educational qualification, experience, track record and contribution to the Board, as applicable, and every such person shall meet the ‘fit and proper’ criteria as may be stipulated by the Committee, from time to time, and accordingly any appointment or re-appointment of a director shall be subject to prior approval / recommendation by the Committee.

The Company has also framed a Nomination and Remuneration Policy for Directors and other Senior Management and a Policy on Diversity of the Board to guide the Board in relation to the appointment/ re-appointment/ removal of the directors 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 Directors shall be governed by the provisions of the Nomination and Remuneration Policy for Directors and Senior Management.

b. Succession plan for the Senior Management:

The human resource department of the Company (the “HR”) shall periodically review and consider the list of Senior Management due for retirement/ attrition within the year. HR shall also consider the new vacancies that may arise because of business needs/ up-gradation of department(s)/ regional office(s). Considering the above, HR shall assess the availability, internally and / or externally as the case may be, of suitable candidates for the Company’s future growth and development.

Further, based on the recommendation of the managing director and/or the chief executive officer, the HR:

- shall evaluate the incumbent after considering all relevant criteria like experience, age, health, leadership quality etc., 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;
- shall identify the competency requirements of the key positions, assess potential candidates, and develop required competency through planned development and learning initiatives. HR may utilise the services of professional search firms to assist in identifying and evaluating potential candidates;
- may recommend to appoint other suitable external candidate(s) as special recruitment in Senior Management based on the profiles and competency in order to provide a continuous flow of talented people to meet the organisational needs;
- the prevailing promotion/ transfer policy or related policy of the Company shall be designed in such a way that the existing/ proposed Senior Management shall get all-round exposure in various domains to facilitate career progression, prepare them for administrative responsibilities and to discharge their functions effectively in senior positions;
- every member of the Senior Management shall always endeavour to add capability in-house and mentor officials with potential working under him/ her to handle his responsibility in his/ her absence by exposing him/ her to all aspects of work being handled by him/ her; and
- in addition to the above, the appointment of key managerial personnel as defined under Section 2(51) of the Companies Act shall be made in compliance with the applicable provisions of the Companies Act, read with the SEBI Listing Regulations.

This Policy was last updated on 24th January, 2025.