

TATVA CHINTAN PHARMA CHEM LIMITED

POLICY FOR ORDERLY SUCCESSION OF BOARD AND SENIOR MANAGEMENT

1. Introduction

- 1.1. Regulation 17 (4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “**SEBI Listing Regulations**”) stipulates that the board of directors of the Company shall satisfy itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management.
- 1.2. In compliance with SEBI Listing Regulations, Tatva Chintan Pharma Chem Limited has formulated and adopted a Policy for Orderly Succession of Board and Senior Management (hereinafter called the “**Policy**”). The Policy has been approved by the board of directors of the Company pursuant to the meeting of the board of directors (“**Board**”) dated March 13, 2021. The Policy shall be effective from the date of approval of the Board.

2. Purpose

- 2.1. Succession Planning is an important component often addressed as part of strategic planning. It is critical to the success of the organization and should provide for a process that recognizes, develops and retains top leadership talent. Board often creates a succession plan outlining the process for retaining, developing, and/or appointing Senior Management personnel of organization.
- 2.2. Succession planning can also mean creating an objective in a strategic plan around succession plans for all senior staff positions. If the organization is interested in developing an internal process to ensure that it develops and retains the best people, it may outline a development plan for each key position in the organization.

3. Applicability of the Policy

The Policy shall be applicable for succession planning of the senior management:

4. **Definition**

- 4.1. “**Board of directors**” or “**Board**” means the Board of Tatva Chintan Pharma Chem Limited, as constituted or reconstituted from time to time.
- 4.2. “**Company**” means Tatva Chintan Pharma Chem Limited.
- 4.3. “**Nomination and Remuneration Committee**” means the committee of the Board constituted and reconstituted under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013
- 4.4. “**Policy**” means Succession Policy.
- 4.5. “**Senior Management**” shall mean officers/personnel of the listed entity who are members of its core management team excluding Board of directors and normally this shall comprise all members of management one level below chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer .

5. **Key considerations in the Succession Planning Process**

- (i) Identify the long term vision and direction of the organization, i.e. Strategic Plan.
- (ii) Review the mission and values of the organization.
- (iii) Determine who the key leadership people are that you want to develop and nurture for the future.
- (iv) Determine which positions need a succession plan.
- (v) Identify core competencies and skills needed to lead the organization.
 - (a) Determine talents needed for the long term.
 - (b) Review current job description and revise and update.
 - (c) Review salary history, budget, and market rates for position.
 - (d) Seek key stakeholder input.
- (vi) Determine interim management and leadership plan for unplanned leaves.
 - (a) Appointing an acting employee from inside organization or contracting

with another person for specified time period or until another person is hired.

(b) Develop timeline and position description for interim position.

(vii) Determine recruitment strategies:

- (a) Hiring search firm vs. board managed process.
- (b) Seek bids and determine fees, scope of work, etc.
- (c) Develop selection criteria for key candidates to recommend to the board.
- (d) Develop communication strategy- key stakeholders.
- (e) Develop transition plan – mentoring and coaching, orientation, etc. may create an individual development plan with key expectations and performance review process for first year.
- (f) Conduct search process.

6. **Succession Plan**

The Nomination and Remuneration Committee shall review the leadership needs and succession plan of the Company from time to time.

The vacancy at the Board shall be filled as per the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The vacancy at Senior Management shall be filled by the Managing Director in line with internal policy adopted by the management keeping in view the future growth and development. Appointment of the Chief Financial Officer/Company Secretary/Manager shall be as per the provisions of the Companies Act, 2013.

7. **Review and Monitoring**

The Board has the power to replace this Policy entirely with a new policy on recommendation by the Nomination and Remuneration Committee to ensure its effectiveness of the Policy.

7.1. **Limitation and Amendment**

In the event of any conflict between the provisions of this Policy and of the Companies Act, 2013 (and the rules framed thereunder) or the SEBI Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Agreement or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment/modification in the SEBI Listing Regulations, Companies Act, 2013 (and the rules framed thereunder) and/or applicable laws in this regard shall automatically apply to this Policy.