



**PUNJAB CHEMICALS  
AND CROP PROTECTION LTD.**

# **SUCCESSION POLICY FOR THE BOARD AND SENIOR MANAGEMENT**

CIN NO.: L24231PB1975PLC047063

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### **Background:**

Pursuant to Regulation 17(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**"), the Board of Directors of a listed entity is required to satisfy itself that plans are in place for orderly succession for appointment to the Board of Directors and the Senior Management.

Accordingly, the Board of Directors of Punjab Chemicals and Crop Protection Limited (the "**Company**") has adopted this succession policy (this "**Policy**") at its Meeting held on 29th June, 2020.

The Nomination and Remuneration Committee (the "**Committee**") of the Company shall be responsible for implementing this Policy and its related procedures.

The Board of Directors of the Company will review amendments to this Policy on the recommendation of the Committee from time to time.

### **Objective**

Succession Planning is an ongoing process required to ensure continuity and smooth functioning of the Company. It identifies requirement of the Company and the necessary competencies available. Thereafter, the management assess, develop and retain a talent pool of employees to ensure continuity of leadership.

The objective of this policy is to have a succession plan for appointment to the Board and for the Senior Management.

### **Procedure for Succession:**

#### **1. Succession Plan for the Board and Key Managerial Persons (KMPs):**

The Committee shall on the recommendation of the Managing Director will identify suitable persons from among the existing top management or from outside the Company to fill up the vacancy or for the appointment at the Board and at KMP level.

A diligence process will be undertaken to determine the suitability of a person who may be considered for appointment or re-appointment as a Director or for the appointment of KMP of the Company based on the educational qualifications, experience and track record of the candidate.

The appointment, re-appointment or removal of the person at the Board and KMP level shall be proposed by the Managing Director, recommended by the Committee and thereafter, approved by the Board. Such appointment, re-appointment or removal shall be in accordance with the applicable provisions of the Companies Act, the Listing Regulations and other laws as applicable to the Company.

#### **2. Succession Plan for the Senior Management:**

The Committee on the recommendation of the Managing Director shall review the list of Senior Management due for retirement or on resignation, if any. The Managing Director shall also propose and recommend any new vacancy that may arise because of business / organisational needs.



The following steps will be taken to execute the Succession Planning:

1. Identify Key / Critical positions in each Division / Department.
2. Determine the likelihood of these positions getting vacant in future.
3. Determine the required job Competencies for the position.
4. List down competency profile of the selected employees.
5. Analyse and match the competencies between the selected position & employees who closely match the required competencies.
6. Employee with closest match to competency requirements of position will be the successor to the position.
7. Track overall progress of the selected candidate.

The vacancy or fresh appointments at the Senior Management level shall be in line with the internal policy/ies adopted by the management. The mission, vision, values, goals and objectives of the Company will be kept in mind while selected a candidate for senior management.

**Emergency Succession or a Temporary Change:**

If a Director's slot/KMP/Senior Management's position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Committee shall convene a meeting to implement the approval process to fill the vacancy.

For a temporary change in executive leadership (i.e. illness or leave of absence for long time), the immediate junior, reporting to such executive, shall take charge in place until the senior executive re- joins the office. In case that person is not competent, the Managing Director may recommend other person who is competent to take the charge until the senior executive re-joins the office.

**Review and Monitoring:**

The Board shall review and monitor the implementation of this Policy at its discretion to ensure its effectiveness and for ensuring effective succession planning.

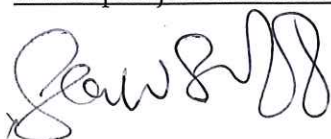
**Amendments to the Policy:**

The Board shall have the power to clarify any doubt or rectifying any anomalies in connection with the effective execution of this policy.

The Board reserves the right to amend this Policy from time to time based on the changing requirements as prescribed by the SEBI/Stock Exchange or any other appropriate statutory authority.

**Disclosure of Succession Policy:**

This Policy shall also be uploaded on the website of the Company at [www.punjabchemicals.com](http://www.punjabchemicals.com).



Shalil Shroff  
Managing Director  
Date: 29th June, 2020