



The Baroda *Rayon* Corporation Ltd.

CIN L45100GJ1958PLC000892

P O Fatehnagar, Udhna, Surat 394 220

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POLICY ON SUCCESSION PLANNING FOR THE BOARD AND SENIOR MANAGEMENT

Introduction:

The Securities and Exchange Board of India (SEBI) has mandated as per the Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Board of Directors of every listed company shall satisfy itself that plans are in place for orderly succession for appointments to the Board of Directors and Senior Management.

As per the Nomination and Remuneration Policy adopted by the Company, the Nomination and Remuneration Committee is responsible for developing a succession plan for the Board and Senior Management. Further, per the Listing Regulations, overseeing succession planning is one of the key functions of the Board of Directors.

Accordingly, the objective of this policy is to make a plan for orderly succession for appointment to the Board and the Senior Management. The Policy has been approved by the board of directors of the Company pursuant to the meeting of the board of directors ("Board") dated 30th March, 2019. The Policy shall be effective from the date of approval of the Board.

Definitions:

“**Company**” means THE BARODA RAYON CORPORATION LIMITED

“**Board**” means Board of Directors of the Company as may be constituted/re-constituted from time to time.

“**Committee**” means the “Nomination and Remuneration Committee” of the Board constituted/re-constituted from time to time, under the provisions of Regulation 19 of the Listing Regulations, and Section 178 of the Companies Act, 2013, as amended.

“**Independent Director**” means a Director referred to in Section 149 (6) of the Companies Act, 2013.

“**Key Managerial Personnel**” means:

- a) the chief executive officer or the managing director or the manager in their absence, a whole-time director;;
- b) the company secretary;
- c) the chief financial officer; and
- d) such other officer as may be prescribed under the Companies Act.



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“**Listing Regulations**” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

“**Senior Management**” means personnel of the Company who are members of its core management team, excluding the directors on the Board. This shall include all members of management one level below the executive directors, including all functional heads.

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

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

Objectives of the Succession Planning Policy:

The objectives of the succession planning policy shall, 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 of Directors 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).

Succession Plan for the Board and Senior Management

The Nomination and Remuneration Committee of the Company shall oversee and review succession plans from time to time and recommend the same to the Board.

Succession Plan for the Board

The Committee shall identify suitable persons from among the existing top management personnel or from outside the Company to fill up the vacancy at the Board and KMP level.

The Committee shall apply a diligence process to determine the suitability of every person who is being considered for appointment or re-appointment as a director or KMP of the Company based on his/her educational qualifications, experience and track record.



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The appointment, re-appointment or removal of the person at the Board and KMP level shall be recommended by the Committee and 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.

Succession Plan for Senior Management Personnel

The Committee shall periodically review and consider the list of Senior Management due for retirement or resignation within the year. The Committee shall also consider new vacancies that may arise because of business needs or up-gradation of department(s). Accordingly, the Committee shall assess the availability of suitable candidates for the Company's future growth and development.

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.

The Board may authorize the Committee to frame an internal policy for identifying and developing an internal pool of talent for future leadership role in different department(s)/division(s) in accordance with the requirement of such department(s)/division(s).

The Chairperson & Managing Director, the Executive Directors and the Head – Human Resources shall also, from time to time, identify & recommend high-potential employees who merit faster career progression and formulate, administer, monitor and review the process of skill development and identify training requirements in respect of such employees.

The appointment of Senior Management shall be in accordance with the applicable provisions of the Companies Act, the Listing Regulations and other laws as applicable to the Company.

Emergency Succession or Temporary change

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

For a temporary change in executive leadership (i.e., illness or leave of absence for long time), the immediate junior officer, reporting to such executive, shall take charge in place of his/her senior until the senior executive re-joins the office or if he/she is not competent in the view of the Chairperson and Managing Director or the Committee, then such other person who is competent to take the charge as may be decided by the Managing Director or the Committee will take charge until the senior executive re-joins the office.



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Review of the Policy

In case of any amendment (s), clarification(s), circular (s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendments(s), clarification(s), circular(s) etc. shall prevail upon the provisions of this policy and the policy shall stand amended accordingly.

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.
