

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

(Approved by the Board of Directors of the Company on 10<sup>th</sup> February, 2023)

### **1. BACKGROUND:**

NGL Fine-Chem Limited is a Public Listed Company incorporated under the provisions of Companies Act, 1956. SEBI revised the Code of Corporate Governance for listed entities significantly to bring it in line with the Companies Act, 2013. SEBI has mandated the need for a succession policy. Regulation 17(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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.

The Company recognizes the importance of the process to Succession Planning to provide for continuity in the smooth functioning of the organization. It is an essential function of the Board for survival, growth of the organization and to ensure its continued effective performance through leadership continuity. There are certain positions in the Company that are key to Company's current and future growth. It is, therefore, important that these positions are manned by skilled and best possible incumbents and those positions whenever fall vacant are filled well in time to avoid any leadership gaps. The Company has therefore put in place a Policy on Succession Planning for the Board and Senior Management (hereinafter called the "Policy"). Accordingly, the Board of the Company has adopted this Policy on 11th November, 2022, which would take effect immediately from the said date.

### **2. OBJECTIVE**

The objective of this Policy is to make a plan for orderly succession for appointment to the Board and Senior Management.

### **3. DEFINITIONS**

i. "Nomination and Remuneration Committee" or "Committee" means the Committee of the Board constituted/re-constituted, from time to time, under the provisions of Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013, as in force.

- ii. “Board of Directors” or “Board” means the Board of Directors of NGL Fine-Chem Limited as constituted/re-constituted, from time to time.
- iii. “Company” means NGL Fine-Chem Limited.
- iv. “Policy” or “this Policy” means Succession Policy.
- v. “Senior Management” 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 functional heads.

#### **4. PROCEDURE**

- i. Board & KMP Level Appointments: The Nomination Remuneration and Compensation Committee (NRC Committee) of the Company shall identify suitable persons from amongst the existing top management personnel or from outside to fill up the vacancy at the Board & KMP level. The appointment of the person at the Board & KMP level shall be in accordance with the applicable provisions of the Companies Act, 2013, read with terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as may be amended from time to time and other laws as applicable to the Company.
- ii. Senior Management Level Appointment: The vacancy at Senior Management level shall be filled up by the Executive Directors in line with the internal policy adopted by the management, keeping in view the organization’s mission, vision, values, goals and objectives.

#### **5. EMERGENCY SUCCESSION**

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

#### **6. REVIEW AND MONITORING**

The Board shall review and monitor the implementation of this Policy from time to time to ensure its effectiveness and for ensuing effective succession planning.

## **7. AMENDMENTS TO THE POLICY**

The Board shall have the power to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this Policy. The Board 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.

The Board has the power to replace this Policy entirely with a new policy.

## **8. DISCLOSURE OF THE POLICY**

The Company shall disclose this Policy on its website. The necessary disclosure, if any, about the policy will also be made as per the requirements of LODR Regulations and Companies Act, 2013.