



POLICY ON SUCCESSION PLANNING FOR THE BOARD AND SENIOR MANAGEMENT

Introduction:

In pursuance of Regulation 17(4) & Schedule II Part-D (A) (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 K.P.R. Mill Limited (The Company) frames this Policy and display the same on its Website. To enable succession of Directors and Senior Managerial Personnel for smooth and uninterrupted business functions at different areas of operations this Policy is devised.

Background and Objectives

For sustained growth of any business, Succession Planning is essential. It ensures continuous effective performance through leadership continuity. A good succession planning is critical to the continued success of the organization and should provide for a process that recognizes, develops and retains top leadership talent.

There are a few positions in the Company, which are key to its continued growth and hence, it is important, these positions are manned by skilled and best possible incumbents and that such positions whenever fall vacant are filled well in time to avoid any leadership gaps.

Applicability

This Policy for succession planning is applicable to following personnel.

- a. Whole-time Directors and other Directors;
- b. Key Managerial Personnel
- c. Senior Managerial Positions : General Manager and above

Succession Plan for Board of Directors

Nomination & Remuneration Committee of the Company takes care of the due diligence process to determine the competency of person(s) being considered for appointment or re-appointment as a Director of the Company. This shall be based on his/her educational qualification, experience, age, health, leadership quality, record of accomplishment and such other criteria, as the Company may stipulate from time to time. Accordingly, any appointment or re-appointment of a Director shall be subject to recommendation by the Nomination & Remuneration Committee of the Company. The Board of Directors is empowered to refer suitable candidate for the aforesaid positions to the Committee.

The 'Nomination and Remuneration Policy' of the Company and the applicable provisions of the Companies Act and SEBI (LODR) Regulations guide the Board in relation to appointment / re-appointment / removal of Directors, devising criteria for performance evaluation of Independent Directors .The Board has to ensure adequate diversity in the Board members to get the best of the varied skills on the industry with experience, background and other qualities of the Director.

Accordingly, the appointment / re-appointment / removal and tenure of the Directors including the Chairman / Managing Director / Whole-time Directors of the company shall be governed by the provisions of 'Nomination and Remuneration Policy' of the Company approved by the Board.

The recommendation of the Nomination and Remuneration Committee shall be placed to the Board for final approval. While making its recommendation, the Nomination and Remuneration Committee shall consult with the Chairman and the Managing Director/s, as may be relevant and all key factors including the available talent within the organization and the need to ensure availability of continuous service towards the continuous growth of the Company.

Succession Plan for Key Managerial Personnel

Appointment of Key Managerial Personnel such as Company Secretary, Chief Financial Officer and other Compliance Professionals shall be made in compliance and conforming applicable provisions of relevant laws. The Chairman and/ or the Managing Director/s have the discretion to appoint the aforesaid KMPs.

Succession Plan for Senior Managerial Personnel

The Nomination and Remuneration Committee of K.P.R. Mill Limited may consider the list of senior managerial personnel due for retirement / attrition within the year. The Committee may also consider the new vacancies that may arise because of business needs / up-gradation or expansion of level of business. The Committee may assess the availability of suitable candidates for the Company's future succession, growth and development.

With regard to the appointment of the category "General Manager and above" the Chairman and/ or the Managing Director/s shall from time to time identify high-potential employees who merit faster career progression to position of higher responsibility and formulate, administer, monitor & review the process of skill development .

Review of the Policy

In case of any amendment(s), clarification(s), circular(s) etc. issued by relevant authorities, not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail and this Policy shall stand amended to that extent.

The Board of Directors of the Company is empowered to replace and or amend this Policy on the recommendation by the Nomination and Remuneration Committee from time to time.