

Succession Policy for the Board and
Senior Management

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1. PREAMBLE

Under Regulation 17(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “LODR Regulations”), the board of directors of a listed entity is required to satisfy itself that plans are in place for orderly succession planning for the board of directors and senior management.

As per Section 178 of the Companies Act, 2013 one of the core activities of the Nomination and Remuneration Committee is to develop a succession plan for the Board and Senior Management. The Nomination & Remuneration [the ‘Committee’] shall be responsible for implementing this Policy and its related procedures.

The Company recognizes the importance of the succession planning process 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.

The Board of the Company has approved this policy pertaining to succession planning for the Board and senior management of the Company.

2. DEFINITIONS

In this Policy unless the context otherwise requires,

“**Act**” means the Companies Act, 2013 or the Securities and Exchange Board of India Act, 1992 or any statutory modification or re-enactment thereof and includes any Rules and Regulations framed thereunder, as the case may be in respect to the reference made in the provisions under this Policy;

“**Board of Directors**” or “**Board**” means the collective body of the Directors of the Company;

“**Company**” means “**Zenith Exports Limited**”;

“**Key Managerial Personnel (KMP)**” shall include:

- The Managing Director
 - Whole-time Director
 - The Chief Executive Officer
 - The Company Secretary;
 - The Chief Financial Officer
 - Any other person as defined under the Companies Act, 2013 and SEBI from time to time
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“Nomination and Remuneration Committee (NRC)” of the Company means the committee as constituted or reconstituted by the Board, in accordance with the Section 178 of the Companies Act, 2013 (“the Act”) and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

“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 the chief executive officer/managing director/whole time director/ (including chief executive officer, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

3. OBJECTIVE

The objective of the policy is to define guidelines:

- i. To identify and nominate suitable candidates to fill vacancies which arise in the Board, KMP & Senior Management from time to time.
- ii. To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
- iii. 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 (ii) be replaced with an identified internal or external candidate or recruit other suitable candidate(s).
- iv. To ensure the systematic and long-term development of individuals in the senior management level to replace when the need arises due to death, disabilities, retirements, and other unexpected occurrences.

4. APPLICABILITY

The Policy shall be applicable for succession planning of the following:

- i. Managing Director and rest of the Board of Directors;
 - ii. Senior Management of the Company as defined above ;
 - iii. Any other positions within the Company at the discretion of the Managing Director in consultation with the Board.
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5. POLICY OVERVIEW

The Policy focuses mainly on the Succession Planning at the Board and Senior Management level and not all the employees of the Companies at large.

i. Succession Plan for the Board

The Nomination & Remuneration Committee ("NRC") shall periodically review and determine if there is reason to believe that one or more Director slots shall become vacant within the next twelve months and accordingly report its finding to the Board.

The NRC shall undertake a process of due diligence to determine the suitability of the person for appointment / re-appointment / continuation as a Director on the Board, based upon qualification, expertise, track record, integrity and other 'fit and proper' criteria.

ii. Succession Plan for the senior Management

The Nomination & Remuneration Committee shall periodically review and determine if there is reason to believe that one or more senior management position shall become vacant within the next three months and accordingly report its finding to the Board.

The NRC shall ensure that new candidate fits into the Corporation's culture and has the ability to lead by example, work with the team, motivate them, work congenially with the Members of the Senior Management and other staff members and demonstrate the ability to significantly contribute towards achievement of the strategic and business objectives of the Corporation.

6. PROCEDURE

- i. If the Committee anticipates that a Director slot/senior management position shall become vacant within the next twelve months(12)/three months (3) respectively (whether by reason of an announced intent to retire or otherwise), or if such position suddenly becomes vacant (whether by death or otherwise), the Committee shall as soon as reasonably practicable recommend to the Board, sufficient number of candidates for selection.
 - ii. While identifying candidates for nomination as Director or senior management, the Committee may consult whatever sources it deems appropriate, including, but not limited to, referrals from existing Directors or senior management, recommendations from third-party search firms etc.
 - iii. The Committee shall have the authority to engage whatever advisors (including attorneys and search firms) it believes appropriate in its efforts to identify and evaluation potential candidates.
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- iv. The Committee shall also periodically review the list of high performer employees within the Company that may be potential candidates for elevation to the position of senior management position.

7. ASSESSMENT OF CANDIDATES

The Committee shall make an initial assessment of potential candidates for the vacancy. It shall select from such pool, candidates for an initial interview by one or more members of the Committee. When the Committee identifies individuals that it believes meet the criteria mentioned in the Nomination and Remuneration Policy of the Company, it shall recommend them to the Board for selection.

8. EMERGENCY SUCCESSION

If a Director slot/senior management position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Committee shall convene a special meeting as early as possible to implement the process described herein.

9. COMPENSATION PLAN FOR KEY MANAGEMENT PERSONNEL (“KMP”) AND OTHER SENIOR MANAGEMENT TEAM MEMBERS

- i. The compensation structure of KMPs and senior management team members shall be according to the policy of the Company and at par with the industrial standards, to be recommended by the Committee.
 - ii. The compensations structure shall be devised in a manner that will help the Company to attract and retain top talents to run the Company efficiently with a long-term perspective.
 - iii. The compensation structure may also include stock options targeting employee participation in ownership of the Company and to ensure the retention of potential talents for the future growth and diversity of the Company.
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10. CONFIDENTIALITY

All persons responsible for executing of the succession plan shall maintain absolute confidentiality and refrain from discussing any decisions regarding the prospective successor till the name is not formalized and approved by the board. However, the same information may be shared with the concerned candidate, even if he is an insider, so that he can prepare himself for the elevated responsibilities.

11. POLICY REVIEW

The Board shall have power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this policy entirely with a new Policy according to subsequent modification(s) / amendment(s) to Regulations.

In the event of any conflict between the provisions of this Policy and of the Act or regulations or any other statutory enactments, the provisions of such Act or regulations or statutory enactments would prevail over the Policy and the provisions in the policy would be modified in due course to make it consistent with law.

12. DISCLOSURES

This policy shall be hosted on the website of the Company and a web link thereto shall be provided in the annual report of the Company. The necessary disclosure about the policy further, if any, will also be made as per requirements of the Act.

13. VERSION HISTORY

Sr. No.	Version	Created by	Reviewed & Recommended by	Approved By	Approval Date	Amendment Summary
1	Initial	Secretarial Department	Audit Committee	Board of Directors		
