



## **SUCCESSION PLANNING POLICY**

**INTERARCH BUILDING PRODUCTS LIMITED**



## **PREAMBLE:**

In terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("**Listing Regulations**"), the Board of Directors of the company is required to oversee the succession planning and shall satisfy themselves that plans are in place for orderly succession for appointments to the Board and Senior Management (as defined hereinafter).

In view of the above, the Board of Directors ("**Board**") of **INTERARCH BUILDING PRODUCTS LIMITED** ("**Company**"), has formulated and adopted this Succession Planning Policy ("**the/this Policy**") which was approved by the Board at its meeting on 15<sup>th</sup> January, 2024. This Policy shall be effective from 15<sup>th</sup> January, 2024.

## **APPLICABILITY OF THE POLICY:**

The Policy shall be applicable for succession planning of the members of the Board, Key Managerial Personnel, Senior Management and any other positions within the Company at the discretion of the managing director and/or the chief executive officer in consultation with the Board.

### Explanation:

The term "Key Managerial Personnel" shall mean:

- i. the Chief Executive Officer or the managing director or the manager;
- ii. the Company Secretary;
- iii. the Whole-Time Director;
- iv. the Chief Financial Officer;
- v. such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- vi. such other officer as may be prescribed

The term "Senior Management" shall mean officers / personnel of the Company who are members of its core management team excluding the Board and normally this shall comprise all members of management one level below the Chief Executive Officer and Managing director / Whole Time Director (including Chief Executive Officer, in case he is not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer.

## **OBJECTIVE:**

The objective of this Policy is to ensure the business continuity by ensuring smooth orderly succession without impeding the performance. This Policy intends to achieve the following:



- a. To ensure that the Company is prepared with a plan to support operations and service continuity when the Directors, Key Managerial Personnel or Senior Management vacate their positions.
- b. To prepare a supply of suitably qualified and motivated employees for higher roles and responsibilities.
- c. To ensure systematic and long term development of individuals in the KMP and SMP level to replace when the need arises due to the death, disability, retirement or any other unexpected occurrence.
- d. To identify the competency requirements of critical and key positions in the Company, assess potential candidates and develop required competency through planned development and learning initiatives;
- e. To identify the key job incumbents in Senior Management and recommend whether the concerned individual: (a) 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 PLANNING FOR APPOINTMENT TO THE BOARD AND SMP AND KMP:**

The Nomination and Remuneration Committee (NRC) of the Board considers the candidature of the Directors and then recommends to the Board for necessary approvals. In case of KMP and SMP such appointments shall be taken up wherever is needed. The NRC or the Board shall act according to the provisions laid down here in above subject to necessary approvals before such appointments or re-appointments.

The Managing Director & CEO (if any) along with the Head- HR (by whatever name called):

- a. shall periodically review and consider the list of SMP / KMP due for retirement / vacancies arising out of attrition during the year.
- b. shall also consider the new vacancies that may arise due to the business needs/restructuring of functions/departments.
- c. In case if an SMP / KMP is due for retirement, will review the possibility of an extension of such personnel on basis of the health, age and the person's willingness to continue for an extended term. In case, if an extension is possible, such case is forwarded to the NRC of the Board for its approval.
- d. In case if such position is to be filled through internally or externally, will evaluate the suitable candidates for the said positions internally as well as externally on basis of the criteria such as job role, experience, leadership qualities, competencies, track record etc.
- e. shall from time to time identify high potential employees who merit faster career progression to position of higher responsibility and give them adequate skill development and training requirements for their successful career progression. In the event of any unexpected occurrence in respect of any member in the SMP / KMP group, the next person as per the organization chart (as far as possible) shall take interim charge of the position, pending the formal appointment in terms of the succession plan.



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Once the identification process is completed by Managing Director & CEO and the Head- HR, the shortlisted candidates are further referred to the NRC for a final evaluation.

The recommendation of the NRC shall be placed before the Board for approval.

In addition to the above, the appointment of senior personnel such as chief financial officer, company secretary and other compliance professional like the chief risk officer/chief compliance officer to be made in compliance with all applicable provisions of the Companies Act, Listing Regulations, and such other laws as may be applicable to such appointment.

**CONFLICT IN POLICY:**

In the event of any conflict between the Companies Act, 2013 or Listing Regulations or any other statutory enactments (“**Regulations**”) and the provisions of this Policy, the Regulations shall prevail over this Policy.

**DISCLOSURES IN THE BOARD’S REPORT:**

The disclosures as required under the relevant provisions of the Companies Act, 2013, the rules made thereunder and the Listing Regulations shall be made as per the extant provisions.

**POLICY REVIEW:**

This Policy may be amended, modified or supplemented, from time to time, to ensure compliance with any amendment, modification or supplementation to the Companies Act, 2013 and rules made there under, Listing Regulations, the Securities and Exchange Board of India Act, 1992 and rules/regulations/ guidelines made there under, or any other law and any other regulatory provisions applicable to the Company and/or its’ business relating to employee/directors’ compensation, issued from time to time, subject to the approval of the Board.

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