

ADVIK CAPITAL LIMITED

CIN: L65100DL1985PLC022505

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

Policy for Orderly Succession for Appointments to the Board and Senior Management [Pursuant to Reg. 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I. INTRODUCTION

The Securities and Exchange Board of India (SEBI) has mandated the need for a succession policy pursuant to Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). This is one of the most significant attempts to ensure that investors do not suffer due to sudden or unplanned gaps in leadership. It is a mandate for boards of all listed companies to develop an action plan for successful transition of key executives.

Section 178 of the Companies Act, 2013 (“Companies Act”), the Company is required to constitute a Nomination and Remuneration Committee and development of a succession plan for the Board and senior management is an object of the Nomination and Remuneration Committee.

The Company has therefore put in place a Policy for Orderly Succession for Appointments to the Board and Senior Management (hereinafter called the “Policy”).

II. OBJECTIVE

The objective of the succession planning program shall, inter-alia, include the following:

- a) To identify and nominate suitable candidates for the Board’s approval (including Nomination and Remuneration Committee) to fill the vacancies which arises in the Board of the Company 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 (ii) be replaced with an identified internal or external candidate or recruit other suitable candidate(s).
- d) To ensure the systematic and long-term development of individuals in the senior management level to replace when the need arises due to deaths, disabilities, retirements and other unexpected occurrence.

III. COMPLIANCE OFFICER

The Company shall, from time to time, designate an employee of sufficient seniority, competence and independence as the compliance officer to ensure compliance with the provisions of this Policy (“Compliance Officer”) and the same shall be notified to the Designated Persons.

IV. DEFINITIONS

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

“**Company**” means Advik Capital Limited.

“**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:

- Chief Executive Officer or Managing Director or Manager;
- Whole-time Director;
- Chief Financial Officer;
- Company Secretary; and
- Any other person as defined under the Companies Act, 2013.

“**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 Board of Directors. This includes all members of management one level below the Whole-time Directors, including all Heads of Departments (HODs).

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Companies Act, 2013 and Listing Regulations, as may be amended from time to time, shall have the meaning respectively assigned to them therein.

V. SUCCESSION PLAN FOR THE BOARD

The Nomination & Remuneration Committee of the Board, shall apply a due diligence process to determine the suitability of every person who is being considered for being appointed or re-appointed as a Director of the Company based on their educational qualification, experience & track record, and every such person shall meet the ‘fit and proper’ criteria, and accordingly any appointment or re-appointment of a Director shall be subject to prior approval / recommendation by Nomination & Remuneration Committee of the Company.

VI. SUCCESSION PLAN FOR THE SENIOR MANAGERIAL PERSONNEL

The Nomination & Remuneration Committee shall periodically review and consider the list of senior managerial personnel due for retirement/attrition within the year. The Committee shall also consider the new vacancies that may arise because of business needs/up-gradation of Department(s)/Regional Office(s). Considering the above, the Committee shall assess the availability of suitable candidates for the Company’s future growth and development. Further, based on the recommendation of the Managing Director & CEO, the Nomination & Remuneration Committee:-

- 1) shall evaluate the incumbent after considering all relevant criteria like experience, age, health, leadership quality etc. and recommend to the Board whether the concerned individual
 - be granted an extension in term/service or
 - be replaced with an identified internal or external candidate.
- 2) shall identify the competency requirements of Board/key positions, assess potential candidates and develop required competency through planned development and learning initiatives. The Committee may utilize the services of professional search firms to assist in identifying and evaluating potential candidates.
- 3) may recommend to the Board to appoint other suitable external candidate(s) as special recruitment in senior managerial level based on job roles and competency in order to provide a continuous flow of talented people to meet the organizational needs.
 - The prevailing promotion/transfer policy of Company shall be designed in such a way that the existing/proposed senior managerial personnel shall get all round exposure in various domains to facilitate career progression, prepare them for administrative responsibilities and to discharge their functions effectively in senior positions.
 - Where it is decided to appoint an external candidate, timely and planned steps shall be taken for selection of a suitable candidate so that the appointment is made well before the retirement/relieving of the concerned officer to ensure the smooth transition.
 - The recommendation of the Nomination & Remuneration Committee shall be placed to the Board for approval. While making its recommendation, the Nomination & Remuneration Committee shall consult with the Chairman, the Managing Director & CEO, as may be relevant and all factors including the available talent within the organization and the need to ensure continuous working and growth of the Company shall be carefully considered.
 - The Managing Director & CEO 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 and identify the training requirements.
 - Every member of the senior management team shall always endeavor to add capability in-house and mentor officials with potential working under him to handle his responsibility in his absence by exposing him to all aspects of work being handled by him.
 - In the event of any unexpected occurrence in respect of any member in the core management team, the next person as per the organization chart (as far as practicable) shall take interim charge of the position, pending a regular appointment in terms of the succession plan.
 - In addition to the above, the appointment of Key Managerial Personnel (KMP) to be made in compliance with all applicable provisions of the Companies Act, 2013 (including the rules made there under), Listing Agreement and other applicable regulations.

VII. EMERGENCY SUCCESSION

If a Director's office/Senior Management's position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Executive Directors/Management team shall convene a special meeting as early as possible to implement the process described in this policy, subject to the necessity involved.

VIII. RIGHTS AND OBLIGATIONS OF THE SUSPECT

- a) The Suspect shall-
 - co-operate with the Inquiry Committee during the investigation process.
 - have a right to consult with a person or persons of their choice, other than members of Inquiry Committee.
 - right to be informed of the outcome of the investigation.
- b) The Suspect (s) has the responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed, or tampered with and witnesses shall not be influenced, coached, threatened or intimidated by the Suspects.
- c) Unless there are compelling reasons not to do so, suspects will be given the opportunity to respond to material findings contained in investigation report. No allegation of wrongdoing against a Suspect shall be considered as maintainable unless there is good evidence in support of the allegation.

IX. REVIEW AND MONITORING

The Board of Directors shall oversee succession planning and shall satisfy itself that plans are in place for orderly succession for appointment to the board of directors and senior management.

X. OTHER POINTS

1. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
2. The Committee may delegate any of its powers to one or more of its members.

XI. MISCELLANEOUS

1. Any words used in this Policy but not defined herein shall have the same meaning as described to it in the Companies Act, 2013 or Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any other relevant legislation/law applicable to the Company, as amended from time to time.
2. In case of any doubt, ambiguity, dispute or difference arise out of the meaning/interpretation of any word or provision in this Policy, the same shall be referred to the Committee, if formed, otherwise board and the decision of such Committee/ Board in such case shall be final.
3. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.
4. This policy shall be effective from the date of Board approval, i.e., with effect from January 17, 2022.

XII. POLICY REVIEW AND AMENDMENTS

1. Committee will monitor the effectiveness and review the implementation of this Policy, considering its suitability, adequacy and effectiveness.
2. Company reserves the right to vary and/or amend the terms of this Policy from time to time.

XIII. DISCLOSURES

The policy shall be disclosed on website of the Company i.e www.advikgroup.com and such other places as may be required by the Act and rules framed thereunder, Equity Listing Agreement entered into with the stock exchanges (including any statutory modification(s) or reenactment thereof) and such other laws for the time being force.

XIV. DISCLAIMER

1. The Policy does not in any way restrict the provisions of the Companies Act, related rules and Regulations or any other statutory laws.
2. Given the aforementioned uncertainties, prospective or present investors are cautioned not to place undue reliance on any of the forward-looking statements in the Policy.

Annexure

Document Control Section

Document Name	
Abstract	
Security Classification	
Location	

Authorization

Document Author	Document Owner	Reviewed By	Approved By

Review and Amendment Log

Version	Modification Date	Section	Amendment/ Modification/Deletion	Brief Description of Change / Review