

**SUCCESSION POLICY**  
*(Pursuant to Clause 49(II)(D)(6) of the Listing Agreement)*

In accordance with the provisions of Clause 49(II)(D)(6) of the Listing Agreement, the Board of Directors of Kanani Industries Limited (“the Company”) has adopted this Policy upon the recommendation of the Nomination and Remuneration Committee.

The Board based on the recommendation of the Nomination and Remuneration Committee may amend this Policy from time to time to incorporate any subsequent amendment(s)/modification(s) in the Listing Agreement with respect to matters covered under this Policy or otherwise.

**OBJECTIVE**

The objective of this Policy is to ensure the orderly identification and selection of new directors or Senior Management in the event of any vacancy, whether such vacancy exists by reason of an anticipated retirement, an unanticipated departure, the expansion of the size of the Company, or otherwise.

**DEFINITIONS**

“**Act**” shall mean the Companies Act, 2013 and the Rules made thereunder, including the modifications, amendments, clarifications, circulars or re-enactment thereof.

“**Board**” means Board of Directors of the Company.

“**Committee**” means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

“**Company**” means Kanani Industries Limited.

“**Directors**” mean Directors of the Company.

“**Key Managerial Personnel**” means key managerial personnel as defined under the Companies Act, 2013 and includes –

- Managing Director, or Executive Director or manager and in their absence, a whole- time director; (includes Executive Chairman)
- Company Secretary;
- Chief Financial Officer; and
- Such other officer as may be prescribed.

“**Policy**” or “**This policy**” means Nomination and Remuneration Policy.

“**Senior Management**” Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

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

## **POLICY**

The Committee shall periodically review and determine if there is reason to believe that one or more Director slots/Senior Management position shall become vacant within the next twelve months and accordingly report its findings to the Board.

### Procedure

- If the Committee anticipates that a Director slot/Senior Management position shall become vacant within the next twelve months (*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/ Audit Committee, sufficient number of candidates for selection.
- While identifying potential 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.
- The Committee shall have the authority to engage whatever advisors (*including attorneys and search firms*) it believes appropriate in its efforts to identify and evaluate potential candidates.
- 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 and can also consider them in case of any vacancy arising at the Senior Management position.

### 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. No candidate shall be recommended to the Board for selection without such candidate having been interviewed by all the Members of the Committee. When the Committee identifies individuals that it believes meet the criteria mentioned in the Nomination, Remuneration and Evaluation Policy of the Company, it shall recommend them to the Board for selection.

### 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.

### Review and Monitoring

- The Nomination and Remuneration Committee shall review and monitor from time to time the implementation of this Policy to ensure its effectiveness and may also recommend changes, if any, to the Board for ensuing effective succession planning.

### Disclosures

The Company shall disclose this Policy on its website and a web link thereto shall be provided in the Annual Report.