



Policy on Succession Planning for the Board and Senior Management

1. BACKGROUND AND SIGNIFICANCE

Bambino Agro Industries Limited is a Public Listed Company Incorporated under the Provisions of Companies Act, 1956.

The Securities and Exchange Board of India (SEBI) revised the Code of Corporate Governance for listed companies significantly to bring it in line with the Companies Act 2013. SEBI has mandated the need for a succession policy via Circular dated 17.04.2014 and listed succession planning as key function of the Board of Directors. 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.

Succession planning is an essential component to the survival and growth of any business. Succession planning is a tool for an organization to ensure its continued effective performance through leadership continuity. A good succession-planning program aims to identify high growth individuals, train them and feed the pipelines with talents.

The Company recognizes the importance of the process to Succession Planning to provide for continuity in the smooth functioning of the organization. There are certain positions in the Company that are key to Company's current and future growth. It is, therefore, important that these positions are assigned to duly skilled and best possible incumbents. It is critical to fill up such positions well in time to avoid any leadership gap. The Company has therefore put in place a Policy on Succession Planning for the Board and Senior Management (hereinafter called the "Policy").

2.OBJECTIVES OF THE SUCCESSION PLANNING PROGRAMME

The objectives of the succession planning programme shall, inter-alia, include the following:

- a) To identify and nominate suitable candidates for the Board's approval 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 (b) 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.

1. APPLICABILITY OF THE POLICY

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

1. Managing Director & CEO and other Board of Directors;
2. Senior Managerial Position: - i) General Manager (s) & above
ii) Chief Financial Officer
iii) Company Secretary
iv) Chief Compliance officer
3. Any other positions within the Company at the discretion of the Managing Director & CEO in consultation with the Board.

4. SUCCESSION PLAN FOR THE BOARD AND SENIOR MANAGEMENT

The Nomination Committee of the Company shall review the leadership needs of the Company from time to time.

5. SUCCESSION PLAN FOR THE BOARD

The Nomination 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 his educational qualification, experience & track record, and every such person shall meet the 'fit and proper' criteria, as the Committee may stipulate from time to time and accordingly any appointment or re-appointment of a Director shall be subject to prior approval by Nomination Committee of the Company.

The Company has framed a Nomination Policy to guide the Board in relation to appointment/reappointment/removal of Directors, to devise criteria for performance evaluation of Independent Directors and the Board and to ensure adequate diversity in

the Board to make good use of the varied skills, regional and industry experience, background, gender and other qualities of the Directors.

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

6. SUCCESSION PLAN FOR THE SENIOR MANAGERIAL PERSONNEL

- The Nomination 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 and Head – Human Resources, the Nomination 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 (i) be granted an extension in term/service or (ii) 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 regular internal promotion/transfer upto the cadre of GM shall be governed by the promotion/transfer policy of the Company.
- 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 Committee shall be placed to the Board for approval. While making its recommendation, the Nomination 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 and Head – Human Resources 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 endeavour 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 such as Chief Financial Officer & Company Secretary and other Compliance Professionals like Chief Risk Officer, Chief Compliance Officer, Chief of Internal Vigilance, Head - Internal Audit and Nodal Officer under protected disclosure scheme etc. to be made in compliance with all applicable provisions of the Companies Act, 1956, Companies Act, 2013 (including the rules made there under), Listing Agreement and RBI Guidelines etc.

9. REVIEW OF THE POLICY

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

The Board has the power to replace this Policy entirely with a new policy on recommendation by the Nomination Committee.
