KOTHARI FERMENTATION AND BIOCHEM LIMITED

CIN: L72411DL1990PLC042502
Regd. Office: 16, Community Centre, First Floor, Saket, New Delhi-110017
Tel: 011-26850004, Fax: 011-41664840, E-Mail – kfbl@airtelmail.in
Website: www.kothariyeast.in

POLICY GUIDELINES ON ORDERLY SUCCESSION FOR APPOINTMENTS TO THE BOARD AND SENIOR MANAGEMENT

Policy on Orderly Succession for Appointments to the Board and Senior Management

1. INTRODUCTION

In accordance with the provisions of Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as "LODR Regulations, 2015) entered into by the Company with the Stock Exchanges, the Board of Directors ("the Board") of **Kothari Fermentation and Biochem Limited** ("the Company") upon the recommendation of the Nomination and Remuneration Committee.

2. 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.

3. DEFINITIONS

i. **"Nomination and Remuneration Committee"** or "Committee" means the Committee of the Board constituted/re-constituted under the provisions of Regulation 19 of the LODR Regulations, 2015 read with Section 178 of the Companies Act, 2013 as in force from time to time.

ii. **"Board of Directors" or "Board"** means the Board of Directors of **Kothari Fermentation and Biochem Limited** as constituted/re-constituted from time to time.

iii. **"Company"** means **Kothari Fermentation and Biochem Limited**.

iv. **"Policy"** or "this Policy" means Succession Policy.

v. **"Senior Management**" mean personnel of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the executive directors,

including all functional heads.

4. PROCEDURE

a) Board Level Appointment: The Nomination and Remuneration Committee of the Company shall identify the suitable person from among the existing top management or from the outside to fill up the vacancy at the Board level. The appointment of the person at the Board level shall be in accordance with the applicable provisions of the Companies Act, 2013 read with terms of Corporate Governance as may be amended from time to time

b) Sr. Management Level Appointment: The vacancy at Senior Management i.e. all members of management one level below the executive directors, including all functional heads (CEO/CFO/CS/General Manager) shall be filled up by the Managing Director in line with the internal policy adopted by the management, keeping in view the organization's mission, vision, values, goals and objectives.

5. 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.

6. 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.

7. DISCLOSURES

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

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