

POLICY ON SUCCESSION PLANNING FOR BOARD AND SENIOR MANAGEMENT

INTRODUCTION

The Securities Exchange Board of India (“SEBI”) has mandated the need for a succession policy pursuant to Regulation 17(4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred as “**Listing Regulations**”). It stipulates that the board of directors of the Company shall satisfy itself that plans are in place for orderly succession for appointment of Senior Management.

Pursuant to the Listing Regulations, Spectrogen Pharmachem Limited (“Company”) has formulated and adopted a Policy for Orderly Succession for appointment of Board of Directors and Senior Management (hereinafter called the “**Policy**”).

PURPOSE

Succession Planning is an important component often addressed as part of strategic planning. It is critical to the success of the organization and shall develop an internal process to ensure that it develops and retains the best people, it may outline a development plan for each key position in the organization.

Succession planning can also mean that proactively identify and develop talented individuals within our organisation who have the potential to assume key leadership role in the future by cultivating a strong pipeline of capable leader. We aim to mitigate the risk associated with unexpected vacancies, retirements or other unforeseen events that may impact our management team.

By investing succession planning for our company, we demonstrate our commitment to building a resilient organisation that can sustainably navigate the challenges of the future. Through deliberate talent management and leadership development, we aim to secure the longterm success of our company and continue delivering value to our stakeholders.

APPLICABILITY OF THE POLICY

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

- Managing Director and the rest of the Board
- Senior management of the Company as defined in Regulation 16(1)(d) of the LODR.
- Any other positions within the Company at the discretion of the Managing Director & Chief Executive Officer in consultation with the Board.

DEFINITIONS

“**Board of Directors**” or “**Board**” means the Board of Spectrogen Pharmachem Limited, as constituted or reconstituted from time to time.

“**Company**” means Spectrogen Pharmachem Limited.

“**Nomination and Remuneration committee**” means the committee of the Board constituted and reconstituted under Companies Act, 2013 read with Listing Regulations.

“**Policy**” means Succession Policy

“**Senior Management**” shall mean officers/personnel of the company who are members of its core management team excluding Board of Directors and normally it shall comprise all members of management one level below the executive directors, including all functional heads, the company Secretary and Chief Financial Officer.

KEY CONSIDERATIONS IN THE SUCCESSION PLANNING PROCESS

- Identify the Critical role and position within the organization.
- Review the mission and values of the organization.
- Develop a pipeline of talent to ensure that there are enough qualified individuals to fill critical roles when the need arises.
- Communicate openly with the management about the succession planning process to build trust and ensure transparency.
- Develop timeline and position description for interim position. □ Identify the core competencies and skills needed to lead the organization.
 - Determine the talents needed for the long term.
 - Review current job description and revise and update.
 - Review salary, history, budget, and market rates for position.

SUCCESSION PLAN

The Management shall identify the suitable person to fill up the vacancy at the board level or to be appointed as part of the senior management team, through external or internal sources. The Nomination and Remuneration Committee of the Company will review the candidates identified by the management and subsequently make recommendations to the Board of the company. The appointment of the person at the board level shall be in accordance with the provision of the



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Companies Act, 2013 read with the Listing Regulations, as may be amended from time to time, taking into account the recommendations of the

The vacancy at Senior Management shall be filled by Board of Directors in line with internal policy adopted by the management keeping in view the future growth and development.

Appointment of the Chief Financial Officer/Company Secretary shall be as per the provisions of the Companies Act, 2013.

The plan outlines the following steps:

- Review Board expertise, role, and responsibilities to determine if additional talent is needed on the board.
- Review Management team and their roles in the organisation.
- Develop Communication plan both internally and externally.
- Review and determine job descriptions, salary and benefits package and other compensation issues such as relocation etc. Review budget and adjust accordingly.
- Determining the timeline for search and recruitment process.
- Determine if interim appointment needed for short term transition. etc.,

The appointment shall be made keeping in the view the relevant skills, experience and knowledge possessed by the incumbent, as well as the Company's mission, vision, and objectives.

The appointment shall be considered and recommend by the committee and thereafter approved by the Board.

EMERGENCY SUCCESSION

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.

BOARD OF DIRECTORS ROLE

The board plays a crucial role in appointment of new Directors/Senior management in a company. The board has to have the right mix of members with the skills to lead the organization. The board must know enough about the organization to be able to develop the job



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description and describe the important skills and qualifications for the next senior management/Directors.

Their main responsibilities include:

- Identifying the skills and qualification required for the senior management position based on company's goals and strategy.
- Setting performance expectations and overseeing the performance of the senior management.
- Ensuring the senior management team operates in the best interests of the Company and its stakeholders.
- Reviewing and approving succession plans for senior management positions to ensure continuity in leadership.
- Negotiating the terms of employment, including compensation and benefits etc.

REVIEW AND MONITORING

The Board has the power to replace this Policy entirely with a new policy on recommendation by the Nomination and Remuneration Committee to ensure its effectiveness of the Policy.

LIMITATION AND AMENDMENT

In the event of any conflict between the provisions of this Policy and of the Companies Act, 2013 (and the rules framed thereunder) or the SEBI Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Agreement or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment/modification in the SEBI Listing Regulations, Companies Act, 2013 (and the rules framed thereunder) and/or applicable laws in this regard shall automatically apply to this Policy.