



SUCCESSION POLICY **REVISED**

(Pursuant to Part D of Schedule II of the SEBI (LODR) Regulations, 2015)

A. INTRODUCTION

In accordance with the provisions of Clause 49(II)(D)(6) of the Listing Agreement entered into by the Company with the Stock Exchanges, the Board of Directors ("**the Board**") of Tilaknagar Industries Ltd. ("**the Company**") had initially adopted the Succession Policy ("**Policy**") on November 14, 2014.

In order to align the content of the Policy with the provisions of the SEBI (LODR) Regulation, 2015 ("**Listing Regulations**"), the Board has, based on the recommendation of the Nomination and Remuneration Committee, adopted this revised Policy on June 09, 2016.¹

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 Regulations² with respect to matters covered under this Policy or otherwise.

B. 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.

C. DEFINITIONS

"Nomination and Remuneration Committee" or **"Committee"** means the Committee of the Board constituted/re-constituted under the provisions of Regulation 19 of the Listing Regulations³ read with Section 178 of the Companies Act, 2013 as in force from time to time.

"Board of Directors" or **"Board"** means the Board of Directors of Tilaknagar Industries Ltd., as constituted/re-constituted from time to time.

¹ Newly inserted on June 09, 2016

² Reference to the provisions of Listing Agreement replaced with reference to the provisions of Listing Regulations on June 09, 2016

³ Newly inserted on June 09, 2016

“Company” means Tilaknagar Industries Ltd.

“Policy” or **“this Policy”** means Succession Policy.

“Senior Management” means 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.

D. POLICY

1. PLANNING AND REVIEW

The Nomination and Remuneration 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.

2. PROCEDURE

- i) If the Nomination and Remuneration 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 (in case of Chief Financial Officer), sufficient number of candidates for selection.
- ii) 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.
- iii) 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.
- iv) 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.

3. 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.

4. 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.

E. 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.

F. DISCLOSURES

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