

Morganite Crucible (India) Limited
Morgan Advanced Materials
Molten Metal Systems
B-11, M.I.D.C., Waluj
Aurangabad - 431 136,
Maharashtra, (India)

Policy for Succession Planning for the Board and Senior Management

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Background and Introduction

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 and planning as key function of the Board of Directors.

Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 require the Company to put in place Policy on Succession planning for the Board and Senior Management and display the same on the website of the Company. The Company recognizes the importance of the process to Succession Planning to provide for continuity in the smooth functioning of the organization. It is an essential function of the Board for survival, growth of the organization and to ensure its continued effective performance through leadership continuity.

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 manned by skilled and best possible incumbents and those positions whenever fall vacant are filled well in time to avoid any leadership gaps. The Company has therefore put in place a Policy on Succession Planning for the Board and Senior Management (hereinafter called the "Policy").

The Company recognizes the below benefits of having in place the visible Succession Plan:

- It signals to their employees that company is focused on their long-term future by protecting the organization from the havoc that unwelcome departures can create.
- It assures clients and customers and helps preserve their confidence in the organization because they know that it will continue to provide products and/or services without interruption.
- It helps focus people's attention on the competencies they need to do an excellent job.
- It puts more focus on developing talent from within the organization. People will know that with targeted education, training, and coaching, they could move into key positions. This boosts overall motivation, morale, and satisfaction in the organization.

The Objective of this policy is:

- To ensure the Morgan Group is prepared with a plan to support operation and service continuity when the Board, KMP's and Senior Management Personnel or key business leader leave their positions;

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- To prepare a supply of suitably qualified and motivated employees for higher roles and responsibilities;
- 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;
- To develop career paths for employees which will facilitate the Group's ability to recruit and retain top-performing or high talent employees;
- To deliver a message to the Group's employees that they are valuable; and
- 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.

Applicability

This Policy for Succession planning is applicable to the following personnel:

1. Executive Directors and other Directors;
2. Senior Managerial Position:-
 - i. Senior Manager & above
 - ii. Chief Financial Officer & Company Secretary
3. Any other positions within the Company at the discretion of the Executive Director in consultation with the Board.

Succession Plan for the Board

The Nomination & Remuneration 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 accordingly any appointment or re-appointment of a Director shall be subject to prior approval by Nomination & Remuneration Committee of the Company.

The Company has also framed a Nomination & Remuneration Policy to guide the Board in relation to appointment/reappointment/removal of Directors and 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 Executive Director of the Company shall be governed by the provisions of Nomination & Remuneration Policy of the Company.

Succession Plan for the Senior Managerial Personnel

The Nomination and Remuneration Committee shall review periodically review and consider the list of senior managerial personnel due for retirement/attrition within the year. The Nomination Committee shall also consider the new vacancies that may arise because of business needs/up-gradation of Department(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 Executive Director, Executive Director(s), KMP's, Head of the concerned Department, Head- Human Resources and other concerned, the Nomination Committee:

1. Shall evaluate the incumbent after considering all relevant criteria like experience, age, leadership quality etc. and recommend to the Board whether the concerned individual be granted an extension in term/service or be replaced with an identified internal or external candidates.
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 of Directors 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 recommendation of the Nomination and Remuneration Committee shall be placed to the Board for approval. While making its recommendation, the Nomination and Remuneration Committee shall consult with the concerned and all factors including the available talent within the organization and the need to ensure continues working and growth of the Company shall be carefully considered.
 - The Executive Director 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 endeavor 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.

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- Appointment of Key Managerial Personnel such as Company Secretary, Chief Financial Officer and other Compliance Professionals shall be made in compliance with and conforming applicable provisions of relevant laws.

Review of the Policy

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

The Board has the power to amend this Policy from time to time as may deem fit and appropriate.
