

SHALIMAR PRODUCTIONS LIMITED

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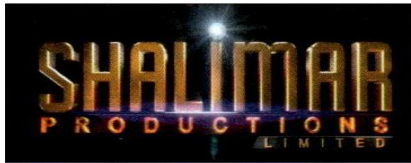
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POLICY FOR SUCCESSION PLANNING FOR THE BOARD AND SENIOR MANAGEMENT



INTRODUCTION:

The Securities and Exchange Board of India (SEBI), pursuant to Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), mandates listed entities to formulate a succession policy. This initiative ensures that investors are safeguarded from potential disruptions caused by sudden or unplanned leadership changes. As part of this requirement, all listed companies are obligated to establish a structured plan for the seamless transition of key executives.

In alignment with the Listing Regulations, Shalimar Productions Limited ("Company") is required to implement a plan that ensures the orderly succession of appointments to the Board of Directors and senior management.

LEGAL FRAMEWORK:

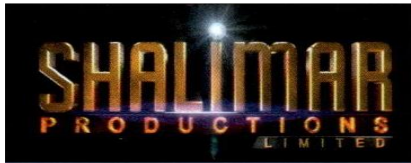
Under Section 178 of the Companies Act, 2013 ("Companies Act"), the Company is required to constitute a Nomination and Remuneration Committee ("NRC"). The development and implementation of a succession plan for the Board of Directors and senior management form a critical part of the NRC's responsibilities.

PURPOSE:

Succession planning is a vital component of strategic planning, ensuring the sustained success of an organization. It provides a structured process to identify, develop, and retain top leadership talent essential for achieving long-term goals. The Board often plays a pivotal role in this process by creating a comprehensive succession plan to facilitate the retention, development, and appointment of senior management personnel.

Effective succession planning may also involve embedding specific objectives within the organization's strategic plan to address leadership transitions for all senior staff positions. By establishing an internal framework, the organization can ensure it nurtures and retains the best talent for key roles. This includes outlining development plans tailored for each critical position within the organization.

Recognizing the significance of succession planning, the Company is committed to ensuring business continuity and seamless operations. Certain positions within the organization are integral to its sustained growth and success. It is imperative that these roles are occupied by highly skilled and capable individuals. Furthermore, it is crucial to proactively address potential vacancies to prevent leadership gaps and maintain organizational stability.



OBJECTIVES:

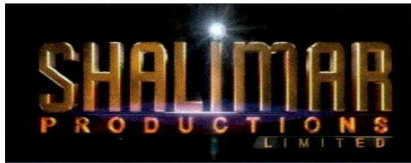
To ensure the Company is prepared with a plan to support operation and service continuity when the Board, KMP's and Senior Management Personnel or key business leader leave their positions;

- To ensure seamless leadership transitions at the Board and senior management levels, minimizing disruptions in business operations, performance, and growth.
- To assess and fulfill the current and future leadership requirements of the Company, in alignment with its strategic objectives and evolving business environment.
- To identify, nurture, and develop internal talent within the Company to prepare a pool of qualified successors ready to assume critical roles.
- To establish a framework for attracting, developing, and retaining skilled leaders with the necessary expertise, values, and cultural alignment for the Company's success.
- To foster an inclusive approach to succession planning that values diversity of thought, background, and experience, ensuring equal opportunity for growth and leadership.
- To proactively plan for potential risks arising from unplanned vacancies or leadership gaps in key roles, including during emergencies or unforeseen circumstances.
- To define clear roles and responsibilities for the Board, Nomination and Remuneration Committee (NRC), and senior management in implementing and monitoring the succession planning process.
- To ensure compliance with applicable legal, regulatory, and corporate governance requirements relating to the succession of Board members and senior executives.
- To align succession planning practices with the Company's mission, vision, values, and long-term strategic goals.
- To establish structured development and mentorship programs to groom potential candidates and strengthen the Company's leadership pipeline.

APPLICABILITY:

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

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



DEFINITION:

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

“Company” means Shalimar Productions Limited (hereinafter referred to as “SPL”).

“Companies Act” means the Companies Act, 2013 and the rules framed there under, each as amended.

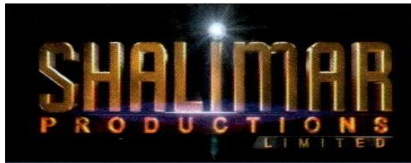
“Nomination & Remuneration Committee” means the committee of the Board constituted and/or reconstituted under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013

“Policy” means Policy for Succession Planning of the Board and the Senior Management.

“Senior Management” shall mean officers/personnel of the listed entity who are members of its core management team excluding Board of directors and normally this shall comprise all members of management one level below the executive directors, including all functional heads and KMP’s.

KEY CONSIDERATIONS IN THE SUCCESSION PLANNING PROCESS:

- i. Identify the long-term vision and direction of the organization, i.e. Strategic Plan.
- ii. Ensure the succession planning process aligns with the Company's vision, mission, and long-term strategic objectives.
- iii. Review the mission and values of the organization.
- iv. Identify core competencies and skills that are needed to lead the organization.
 - a. Determine talents needed for the long term.
 - b. Review current job description and revise and update.
 - c. Review salary history, budget, and market rates for position.
 - d. Seek key stakeholder input.
 - d. Define the core skills, experience, and leadership competencies required for Board and senior management roles.
- v. Identify internal and external candidates with the potential to take on leadership responsibilities in the short and long term.
- vi. Determine interim management and leadership plan for unplanned leaves.
 - a. Appointing an acting employee from inside organization or contracting with another person for specified time period or until another person is hired.

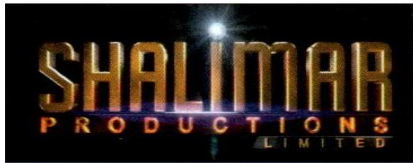


- b. Develop timeline and position description for interim position.
- vii. Determine recruitment strategies:
 - a. Man power agencies vs. board managed process.
 - b. Seek bids and determine fees, scope of work, etc.
 - c. Develop selection criteria for key candidates to recommend to the board.
 - d. Develop communication strategy with the key stakeholders.
 - e. Develop transition plan like mentoring and coaching, orientation, etc. which may create an individual development plan with key expectations and performance review process for first year.
 - f. Conduct search process.
- viii. Implement structured learning, development, and mentorship programs to bridge skill gaps for identified successors.
- ix. Foster diversity in leadership by considering gender, background, and experience in succession planning.
- x. Highlight the career development aspect: Being an organization with a clear, well-managed and regularly reviewed succession planning strategy shows employees there is a clear, thought-out process to succession planning and career development at your company.
- xi. Use succession planning to boost morale and drive engagement: Ultimately, the aim of a succession planning strategy is to future-proof the business and mitigate risk when key people leave the business, ensuring the company keeps moving forward in a productive manner.
- xii. Ensure adherence to relevant statutory, regulatory, and corporate governance requirements for Board composition and leadership roles.

SUCCESSION PLAN FOR THE BOARD:

The Nomination & Remuneration Committee (NRC) of the Board shall conduct a thorough due diligence process to evaluate the suitability of candidates being considered for appointment or re-appointment as Directors of the Company. This evaluation will be based on the individual's educational qualifications, relevant experience, expertise, professional track record, and alignment with the strategic objectives and values of the Company. Any appointment or re-appointment of a Director shall require prior approval from the NRC to ensure consistency with the Company's leadership and governance standards.

The Company has established a comprehensive Remuneration Policy that serves as a guide for the Board in matters related to the appointment, re-appointment, and removal of Directors. The policy also sets criteria for the performance evaluation of Independent Directors and the overall Board, emphasizing diversity in composition. The Board aims to leverage a variety of skills, regional and industry experience, backgrounds, and gender diversity to strengthen its strategic decision-making capacity. Consequently, the appointment, re-appointment, removal, and



tenure of Directors, including the CEO, Executive Directors, and Non-Executive Directors, shall be governed by the provisions of the Remuneration Policy.

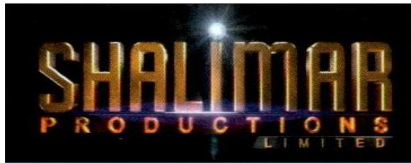
For vacancies on the Executive Board, the NRC, in consultation with the Chairman and other members of the Executive Board, will identify and recommend internal or external candidates possessing the requisite qualifications and attributes for such positions. In the event of any unexpected vacancy, the NRC will convene to nominate an individual from a pre-selected pool of candidates to assume the role on either an interim or permanent basis. For other vacancies on the Board, the NRC will identify and recommend candidates who meet the qualifications, expertise, and attributes required for the position.

In cases of unforeseen or sudden vacancies at any level of the Board, the NRC will act swiftly to ensure leadership continuity. Interim measures may be implemented while a permanent candidate is selected. All appointments, re-appointments, and removals will adhere to the Company's governance framework, the applicable statutory provisions, and the guidelines set forth in the Remuneration Policy. The NRC will ensure that the selection process is guided by principles of meritocracy, diversity, and alignment with the Company's strategic goals.

SUCCESSION PLAN FOR THE SENIOR MANAGERIAL PERSONNEL:

The Nomination & Remuneration Committee shall periodically review and consider the list of senior managerial personnel due for retirement/ attrition within the year. The Nomination & Remuneration 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 Managing Director, Executive Director(s), KMP's, Head of the concerned Department, Head- Human Resources Department, the Nominations & Remuneration Committee and the others concerned:

1. Shall meet, at least, once a year to review the vacancies, if any, at Senior Management level and other critical positions and based on such requirements, shall formulate and adopt an appropriate action plan.
2. 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 candidate.
3. Shall identify the competency requirements of the Board/ key positions, assess potential candidates and develop required competency through planned development and learning initiatives. The Committee may utilize the services of professionals to assist in identifying and evaluating potential candidates.
4. 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.

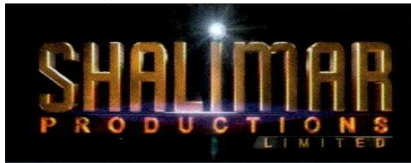
5. The recommendation of the Nomination & Remuneration Committee shall be placed to the Board for approval. While making its recommendation, the Nomination & Remuneration Committee shall consult with the concerned and all factors including the available talent within the organization and the need to ensure continues working and growth of the Company shall be carefully considered.
6. The CEO, Executive Directors and Head – Human Resources Department 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.
7. Every member of the senior management team shall always endeavor to add capability in-house and mentor officials with potential working under him/her to handle his/her responsibility in his/her absence by exposing them to all aspects of work being handled by him/her.
8. 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.
9. It is also extremely important to have a contingent plan in place to deal with sudden exits at the said Senior Management level. The Human Resource Department of the Company on an ongoing basis identifies a select pool of employees who can be groomed to occupy senior level positions in case of any such eventuality and train them adequately.

CONFIDENTIALITY:

All individuals involved in the implementation of the Succession Planning Policy shall maintain strict confidentiality regarding discussions and decisions related to potential candidates. Information may only be disclosed to the identified candidate, if necessary, to prepare them for the anticipated elevation, while ensuring discretion and professionalism are upheld throughout the process.

REVIEW AND MONITORING:

This Policy is subject to periodic review and may be amended, modified, or supplemented as necessary to ensure compliance with any updates, modifications, or amendments to the applicable Listing Regulations. Additionally, changes may be made to align with any new statutory requirements, regulatory mandates, or guidelines issued by relevant authorities. Such updates will also reflect any evolving needs or strategic priorities of the Company, as deemed appropriate by the Board of Directors.



The authority to amend, replace, or modify this Policy rests with the Board of Directors of the Company. Any such revisions shall be undertaken based on the recommendations of the Nomination and Remuneration Committee, ensuring that the Policy remains effective, relevant, and aligned with both legal requirements and the Company's governance framework. These changes will be implemented as and when required to uphold compliance and to address the Company's operational and strategic objectives.

LIMITATION AND AMENDMENT:

In the event of any inconsistency between the provisions of this Policy and the Companies Act, 2013 (including the rules framed thereunder), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any other applicable laws, rules, or statutory enactments, the provisions of such applicable laws, rules, or enactments shall prevail. Any subsequent amendments or modifications to the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, or other applicable laws shall automatically be incorporated into and form part of this Policy.