

**POLICY ON SUCCESSION PLANNING FOR ORDERLY SUCCESSION OF DIRECTORS,  
KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL AND OTHER  
EMPLOYEES**

**1. BACKGROUND:**

In accordance with the provisions of Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**SEBI Listing Regulations**), the Board of every listed company shall develop an action plan for successful transition of the the Directors, Key Managerial Personnel (i.e. CEO, CFO & Company Secretary) (“KMP”), Senior Management Personnel (“SMP”) and other senior level employees of the Company.

As per the Nomination and Remuneration Policy adopted by the Company, the Nomination and Remuneration Committee is responsible for developing a succession plan for the Board and Senior Management. Further, as per the SEBI Listing Regulations, overseeing succession planning is one of the key functions of the Board of Directors.

Accordingly, this succession plan (Succession Plan) for the appointment of the Directors, Key Managerial Personnel (“KMP”), Senior Management Personnel (“SMP”) and other senior level employees of the Company has been prepared to give effect to the provisions of the SEBI Listing Regulations.

**2. OBJECTIVE:**

- a) To ensure that company is prepared with a plan to support operations and service continuity when KMP or senior business leaders vacate their positions.
- b) To prepare a supply of suitably qualified and motivated employees for higher roles and responsibilities.
- c) To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
- d) To identify the key job incumbents in SMPs and recommend whether the concerned individual (i) be granted an extension in term/service or (ii) be replaced with an identified internal or external candidate or recruit other suitable candidate(s) as per the service rules of the Company.
- e) To ensure systematic and long-term development of individuals in the KMP and SMP level to replace when the need arises due to the death, disability, retirement or any other unexpected occurrence.

**3. DEFINITIONS:**

- a) **“Board of Directors”** or **“Board”** means the Board of Directors of Savani Financials Limited as constituted/re-constituted from time to time.

- b) **“Company”** means Savani Financials Limited.
- c) **“Policy”** or **“this Policy”** means Succession Policy.
- d) **“Senior management”** shall mean officers/personnel of the company 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 chief executive officer/managing director/whole time director (including chief executive officer in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.
- e) **“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.

#### 4. APPLICABILITY:

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

- a) Managing Director and CEO and other Board of Directors;
- b) KMP as defined in sub-section (51) of Section 2 of the Companies Act, 2013 and SMP.
- c) Any other positions within the Company at the discretion of the Managing Director & CEO in consultation with the Board.

#### 5. PROCESS:

##### **Board Level Appointment:**

The NRC shall proactively review the succession requirements for the Board and carry out the 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/ her educational qualification, relevant experience, track record, reputation etc.

The proposed candidate shall be evaluated by the NRC to determine the eligibility and fit and proper criteria as per the Companies Act 2013 and the guidelines issued by the Reserve Bank of India, if any, and thereafter such candidature shall be recommended to the Board for its consideration and approval.

##### **KMP and SMP:**

The vacancy at Senior Management shall be filled up by the Managing Director or CEO or by any other person so authorized by the Board from time to time in line with the internal policy adopted by the management, keeping in view the organization's mission, vision, values, goals and objectives.

In addition to the above, the appointment of KMP to be made in compliance with all

applicable provisions of the Companies Act, Listing Regulations, and such other laws as may be applicable to such appointment.

Where it is decided to appoint an external candidate, timely and planned steps shall be taken for selection of a suitable candidate so that the appointment is made well before the retirement/relieving of the concerned officer to ensure the smooth transition.

## **6. EMERGENCY SUCCESSION**

If a Director office/Senior Management position suddenly becomes vacant by reason of death or other unanticipated occurrence, the NRC shall convene a special meeting as early as possible to evaluate the situation and implement the process described herein.

In the event of any unexpected occurrence in respect of any member in the core management team, the next person as per the organization chart (as far as practicable) shall take interim charge of the position, pending a regular appointment in terms of the Succession Plan.

## **7. REVIEW /AMENDMENTS**

This Policy may be amended, modified or supplemented, from time to time, to ensure compliance with any amendment, modification or supplementation to the Companies Act, 2013 and rules made there under, Listing Regulations the Securities and Exchange Board of India Act, 1992 and rules/regulations/ guidelines made there under, RBI regulations/guidelines or any other law and any other regulatory provisions applicable to the Company and/or its' business relating to employee/directors' compensation, issued from time to time.

Any such amendment shall be made by the Managing Director or the Company Secretary of the Company, which shall be ratified at the next meeting of the NRC of the Company, held after such amendment. The NRC may issue/implement such guidelines, procedures, formats and/or reporting mechanisms to enforce this Policy as it may deem fit.

## **8. DISCLOSURES**

The disclosures as required under the relevant provisions of the Companies Act, 2013, the rules made there under and the Listing Regulations shall be made as per the extant provisions and also published on the official website of the Company.

## **9. APPROVED AND ADOPTED**

This Policy has been adopted by the Board of Directors of the Company at its meeting held on **25<sup>th</sup> October, 2024** and the Policy shall be effective from **25<sup>th</sup> October, 2024**.