

## POLICY ON SUCCESSION PLANNING

### 1. Introduction

The Securities and Exchange Board of India (“SEBI”) has mandated the need for a succession policy pursuant to Regulation 17(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“**SEBI Listing Regulations**”), in order to ensure that interests of investors of Molbio Diagnostics Limited (“Company”) does not suffer on account of sudden or unplanned gaps in management of the company.

The Company in order to avoid any leadership gap in the Board and Senior Management has therefore devised a Policy on Succession Planning for the Board and Senior Management (hereinafter called the “Policy”).

The Board of Directors of the Company (“Board”) has approved and adopted this Policy and are amended as and when required to comply with the provisions of Companies Act and SEBI Listing Regulations.

### 2. Definitions

“**Act**” shall mean the Companies Act, 2013, rules framed there under and any amendments thereto.

“**Board of Directors**” or “**Board**” shall mean the Board of Directors of Molbio Diagnostics Limited, as constituted from time to time as per the relevant laws and rules and regulations.

“**Company**” shall mean Molbio Diagnostics Limited.

“**Key Managerial Personnel**” shall mean key managerial personnel (“KMP”) as defined in sub- section (51) of Section 2 of the Companies Act, 2013.

“**SEBI Listing Regulations**” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

“**Senior Management**” or “**Senior Management Personnel**” shall mean Senior Management as defined in Regulation 16 (1) (d) of the SEBI Listing Regulations.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law or regulation as amended from time to time.

### 3. Objective

The objectives of the succession planning shall, inter-alia, include the following:

- 3.1 To identify and nominate suitable candidates for the Board’s approval to fill the vacancies which arises in the Board of Directors from time to time.
- 3.2 To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
- 3.3 To identify the key job incumbents in Senior Management positions and recommend whether the concerned individual:
  - to continue with such role/ position; or
  - be replaced with an identified internal or external candidate or recruit other suitable candidate(s).
- 3.4 To ensure the systematic and long-term development of SMPs to replace when the need arises due to deaths, disabilities, retirements, and other unexpected occurrence.

### 4. Applicability of the Policy

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

- All members of the Board;
- Key Managerial Personnel;

- Senior Management Personnel
- Any other positions within the Company at the discretion of the Chief Executive Officer in consultation with the Board.

## **5. Succession Plan for the Board, Key Managerial Personnel and Senior Management Personnel:**

The Nomination and Remuneration Committee of the Company shall oversee and review Succession Plan from time to time and recommend the same to the Board.

### **a) Succession Plan for the Board:**

The Nomination and Remuneration Committee 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 educational qualification, relevant experience, track record, reputation etc. The proposed candidate shall be evaluated by the Nomination and Remuneration Committee to determine the eligibility and proper criteria as per the Companies Act 2013, and if any, and thereafter such candidate shall be recommended to the Board for its consideration and approval.

### **b) Succession Plan for Key Managerial Personnel /Senior Management**

Based on the inputs received from the Human Resource Department, the Nomination and Remuneration Committee shall periodically review any vacancy / probable vacancy in the position of Key Managerial Personnel or Senior Management which may arise on account of retirement, resignation, death, removal, transfer, business expansion, incapacity whether temporary or permanent or otherwise.

## **The Managing Director & CEO along with the Head- HR:**

- a) shall periodically review and consider the list of Senior Management / Key Managerial Personnel due for retirement / vacancies arising out of attrition during the year.
- b) shall also consider the new vacancies that may arise due to the business needs/restructuring of functions/departments.
- c) In case any Senior Management/ Key Managerial Personnel is due for retirement, will review the possibility of an extension of such personnel on basis of the health, age and the person's willingness to continue for an extended term. In case, if an extension is possible, such case is forwarded to the NRC of the Board for its approval.
- d) In case such a position is to be filled through internally or externally, will evaluate the suitable candidates for the said positions internally as well as externally on basis of the criteria such as job role, experience, leadership qualities, competencies, track record etc.
- e) shall from time to time identify high potential employees who merit faster career progression to positions of higher responsibility and give them adequate skill development and training requirements for their successful career progression.

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 and hierarchy shall take interim charge of the position, pending a regular appointment in terms of the succession plan.

In addition to the above, the appointment of Key Managerial Personnel/ Other Personnel shall be made in compliance with all applicable provisions of the Companies Act, 2013 (including the rules made there under), SEBI Listing Regulations.

## **6. Disclosure of Policy**

The Policy shall be uploaded on the website of the Company.

## **7. Review and Amendment**

Any subsequent amendment/modification in the Act, SEBI Listing Regulations and/or other applicable laws in this regard shall automatically apply to the Policy. The Board shall review the Policy from time to time on the recommendation of Committee.

In the event of any conflict between the Act or the SEBI Listing regulations or any other statutory enactments and the provisions of this Policy, the Regulations shall prevail over this Policy.