

THE HI-TECH GEARS LIMITED

POLICY ON SUCCESSION PLANNING FOR THE BOARD AND SENIOR MANAGEMENT

1. SIGNIFICANCE AND OVERVIEW

According to Regulation 17(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 “LODR”, the Board of every listed company shall satisfy itself that plans are in place for orderly succession for appointments to the Board and to senior management.

The Policy on plans for orderly succession for appointments to the Board and to Senior management is applicable to The Hi-Tech Gears Limited (“the Company”).

2. OBJECTIVES

- a. The objective of this policy is to plan for orderly succession for appointment to the Board and to the Senior Management.
- b. To identify and nominate appropriate candidates for the Board/Committee’s approval to fill vacancies which may arise in the Board from time to time.
- c. To ensure the systematic and long-term development of individuals in the senior management level to replace as and when the need arises due to deaths, disabilities, retirements, and any other unexpected occurrence.
- d. To ensure that interest of investors of the company does not suffer on account of sudden or unplanned gaps in management of the company.

3. DEFINITIONS

- “**Act**” shall mean the Companies Act, 2013, and rules made there under, as amended from time to time.
- “**Board**” means Board of Directors of the Company.
- “**Senior management**” shall have the same meaning as defined under Regulation 16(1)(d) of LODR as amended from time to time.
- “**Directors**” means Directors of the Company.
- “**Committee**” means Nomination and Remuneration Committee “NRC” of the Company as constituted or reconstituted by the Board.
- “**Regulation**” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 “LODR”.
- In case of conflict, the above-mentioned definitions shall have the same meaning as defined and amended from time to time, under SEBI (LODR) Regulation, 2015 and Companies Act, 2013.

4. APPLICABILITY OF THE POLICY

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

- a. Managing Director and Chief Executive Officer and the rest of the Board.
- b. Senior Management of the Company and any other positions within the Company at the discretion of the Managing Director & Chief Executive Officer in consultation with the Board.

5. PROCESS

- The Committee of the Board shall review the leadership and management needs of the Company from time to time. As per the eligibility requirements, suitable candidates shall be shortlisted by the Committee, who meet the criteria regarding the qualifications as specified under the Act.
- The Committee shall assess the suitability of a person who is being considered for an appointment as a director/officer of the Company, based on his/her educational qualifications, experience, expertise and shall recommend to the Board the terms and conditions of his/her appointment, including remuneration.
- The recommendations of the Committee shall be placed before the Board for approval. The appointment of the person at the Board/Senior management level shall be in accordance with the applicable provisions of the Companies Act, 2013 and LODR read with any other applicable provisions/rules as may be amended from time to time.

6. EMERGENCY SUCCESSION

If a Director's slot/Senior Management's 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.

7. REVIEW AND MONITOR

The Committee shall review and monitor the implementation of this policy, as and when required, to ensure its effectiveness and may also recommend changes, if any, to the Board for ensuing effective succession planning.

8. AMENDMENTS

The Board may amend the policy as and when necessary either pursuant to any amendments in Law or otherwise. The Board shall be free to devise and implement any supplementary or other policies and guidelines with respect hereof for better implementation of this policy.

9. DISSEMINATION OF THE POLICY

The policy shall be uploaded under the "Codes and Policies" section on the website of the Company at <https://www.thehitechgears.com/investors.php>