

F O M E N T O

POLICY ON SUCCESSION PLANNING

FOR THE BOARD

AND

SENIOR MANAGEMENT

OF FOMENTO RESORTS AND HOTELS

LIMITED

POLICY ON SUCCESSION PLANNING FOR THE BOARD AND SENIOR MANAGEMENT

Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 require the Company to put in place above Policy and display the same on its website.

Background and Objectives – Succession planning is an essential component to the survival and growth of any business. Succession planning is a tool for an organization to ensure its continued effective performance through leadership continuity. A good succession planning programme aims to identify high growth individuals, train them and feed the pipelines with talents.

The Company recognizes importance of the process of Succession planning, which provides continuity and smooth functioning. Moreover, there are few positions in the Company, which are key to its continued growth and hence, it is important, these positions are manned by skilled and best possible incumbents and that such positions whenever fall vacant are filled well in time to avoid any leadership gaps.

Applicability – This Policy for Succession planning is applicable to following personnel.

1. Whole – time Director and other Board of Director;
2. Senior Managerial Positions :-
 - i) Key Managerial Personnel
 - ii) General Manager and Grade M3 and above.

Succession plan for the Board and Senior Managerial positions

The Nomination and Remuneration Committee of the Company shall review the leadership needs of the Company from time to time.

As far as Succession Plan for the Board of Directors is concerned the Nomination and Remuneration Committee of the Board, shall apply a due diligence process to determine suitability of person(s) being considered for appointment or re-appointment as a Director of the Company based on his educational qualification, experience and track record, and every such person shall meet ‘fit and proper’ criteria, as the Company may stipulate from time to time and accordingly any appointment or re-appointment of a Director shall be subject to prior approval by Nomination and Remuneration Committee of the Company.

The Company has framed a Remuneration Policy which encompasses a procedure for Nomination, selection and appointment/re-appointment and removal of the Board including the

selection and appointment and removal of Senior Management. The policy also guides 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 Managing Director/Whole – time Directors of the Company shall be governed by the provisions of Remuneration Policy of the Company approved by the Board.

Succession Plan for Senior Managerial Personnel shall also be reviewed periodically by the Nomination Committee and the Board and consider list of senior managerial personnel due for retirement/attrition within the year. The 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 Whole-time Directors, KMP's, Heads – Human Resources and other concerned, the Nomination Committee:

1. Shall evaluate the incumbent after considering all relevant criteria like qualification, experience, age, health, leadership quality etc and recommend to the Board whether the concerned individual (i) be granted an extension in term/service or (ii) 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 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 before the Board for approval. While making its recommendation, the Nomination and Remuneration Committee shall consult with the Chairman, Managing Director, as may be relevant and all factors including the available talent within the organization and the need to ensure continuous working and growth of the Company shall be carefully considered.
 - The Managing 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/her.

- 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 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 extent.

The Board has the power to replace and or amend this Policy on recommendation by the Nomination Committee, from time to time as and when thought necessary.
