



SARDA ENERGY & MINERALS LIMITED

Regd. Off: 73-A, Central Avenue, Nagpur (MH.) 440018
Ph: +91-712-2722407; Fax: +91-712-2722107 Email: cs@seml.co.in
URL: www.seml.co.in CIN: L27100MH1973PLC016617

Succession Planning & Business Continuity Policy

1. Preamble

Sarda Energy & Minerals Limited (“SEML” or “the Company”) recognises that continuity of leadership, management capability and operational resilience are fundamental to sustainable performance, sound corporate governance and long-term value creation. Leadership transitions, unforeseen disruptions and operational shocks, if not anticipated and managed proactively, may adversely affect safety, financial performance, stakeholder confidence and regulatory compliance.

In accordance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and recognised governance practices, the Company has adopted this Succession Planning and Business Continuity Policy (“Policy”) to ensure orderly leadership succession and uninterrupted conduct of business operations.

2 Objectives of the Policy

The objectives of this Policy are to establish a structured and forward-looking framework that ensures both leadership continuity and operational resilience. In particular, this Policy seeks to:

- i) Ensure orderly succession for the Board, Key Managerial Personnel and Senior Management;
- ii) Minimise risks arising from sudden or unplanned leadership vacancies;
- iii) Support development of internal leadership capability over the long term;
- iv) Provide preparedness for continuity of critical operations during disruptive events; and
- v) Protect the interests of shareholders, employees, customers and other stakeholders.

3 Effective Date

This Policy comes into effect from 23.05.2026.

4. Scope and Applicability

This Policy applies across the organisation and covers:

- i) The Board of Directors, including the Chairperson;
- ii) Key Managerial Personnel (KMP) as defined under the Companies Act, 2013;
- iii) Senior Management Personnel as defined under SEBI LODR Regulations;
- iv) Critical functional, operational and plant-level positions; and
- v) All business units, manufacturing facilities and support functions of SEML.

5 Governance and Oversight

The Board of Directors shall have overall responsibility for oversight of this Policy and its effective implementation.

- i) The Nomination and Remuneration Committee (NRC) shall oversee succession planning for the Board, KMPs and Senior Management.
- ii) Oversight of business continuity preparedness shall be undertaken by the Board, supported by the Risk Management Committee / Audit Committee, as applicable.
- iii) Senior Management and the Human Resources function shall support implementation, monitoring and review under the guidance of the Committees.

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6 Succession Planning Philosophy

Succession planning at SEML is a continuous and dynamic process designed to ensure leadership continuity and depth across critical roles. The Company believes that effective succession planning requires early identification of potential leaders, systematic capability development and objective assessment to match organisational needs with leadership competencies.

SEML endeavours to balance development of internal talent with attraction of external expertise, while ensuring all appointments are based on merit, integrity, experience and regulatory requirements.

7 Succession Planning for the Board and Key Managerial Personnel

The NRC shall periodically review succession requirements for the Board and KMP positions to ensure continuity of governance and executive leadership. The Committee shall identify and recommend suitable candidates for consideration by the Board.

In evaluating potential successors, the NRC shall consider factors such as:

- i) Professional competence, leadership capability and experience;
- ii) Industry knowledge and strategic perspective;
- iii) Integrity, independence and fit with Company values; and
- iv) Compliance with applicable statutory and regulatory criteria.

All appointments, re-appointments or removals shall be made in accordance with applicable laws and approved by the Board and shareholders, wherever required.

8 Succession Planning for Senior Management

Recognising the importance of leadership continuity below the Board level, SEML shall maintain a structured approach for succession planning across Senior Management positions that are critical to operational and strategic execution. The NRC, in consultation with Senior Management, shall:

- i) Periodically review positions vulnerable to attrition, retirement or unforeseen absence;
- ii) Assess readiness of internal talent for future leadership roles;
- iii) Recommend development initiatives such as training, mentoring and role rotation; and
- iv) Consider external recruitment where internal capability is not immediately available.

9 Emergency and Temporary Succession

In circumstances involving sudden vacancy due to death, incapacity or other unforeseen events, interim arrangements shall be put in place to ensure continuity of leadership and decision-making. Interim responsibilities may be assigned to senior executives reporting to the vacant position. The NRC and/or Managing Director shall initiate formal succession procedures at the earliest opportunity. Temporary arrangements shall remain in force only until a permanent appointment is made.

10 Business Continuity Management Framework

SEML is committed to maintaining continuity of its critical business operations during

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disruptive events. Business Continuity Management ("BCM") forms an integral part of the Company's risk management and operational resilience framework. Disruptive events may include, inter alia, natural disasters, industrial incidents, cyber incidents, pandemics, supply chain interruptions or manpower unavailability.

11 Business Continuity Planning

The Company shall develop and maintain Business Continuity Plans ("BCPs") for critical functions and locations. These plans shall focus on ensuring timely response, safety of personnel and restoration of essential operations.

Each BCP shall, to the extent applicable, address:

- i) Identification of critical processes and dependencies;
- ii) Roles and responsibilities during disruption;
- iii) Communication and escalation mechanisms;
- iv) Interim operating procedures; and
- v) Recovery timelines.

12 Integration with Risk Management

Business continuity planning shall be aligned with SEML's overall Risk Management Framework. High-impact and high-likelihood risks identified through risk assessments shall receive priority in continuity planning and mitigation strategies. Lessons learned from disruptions, incidents or near-misses shall be incorporated into updated plans and controls.

13 Training, Testing and Awareness

To ensure effectiveness, SEML shall promote organisation-wide awareness of business continuity responsibilities.

- i) Relevant employees shall receive periodic training on continuity roles and response procedures.
- ii) Mock drills, simulations or tabletop exercises may be conducted to test preparedness and response effectiveness.
- iii) Outcomes of such exercises shall be reviewed to strengthen resilience.

14 Communication and Stakeholder Management

SEML shall maintain appropriate internal and external communication protocols to ensure timely and transparent communication during disruptions. Priority shall be given to employee safety, regulatory communication, customer assurance and stakeholder confidence.

15 Disclosure

This Policy shall be disclosed in accordance with the applicable provisions of the Companies Act, 2013 and SEBI LODR Regulations.

16 Review and Monitoring

This Policy and related succession plans and continuity frameworks shall be reviewed periodically to ensure relevance and effectiveness.

- i) Succession planning shall be reviewed periodically by the NRC.

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- ii) Business Continuity Plans shall be reviewed periodically and after any significant disruption.
- iii) Amendments shall be recommended to the Board based on changes in business environment, regulatory requirements or organisational structure.