

IITL PROJECTS LIMITED

SUCCESSION PLANNING POLICY

The Securities and Exchange Board of India (SEBI) has mandated the need for a succession policy pursuant to Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). This is one of the most significant attempts to ensure that investors do not suffer due to sudden or unplanned gaps in leadership. It is a mandate for boards of all listed companies to develop an action plan for successful transition of key executives. Pursuant to the Listing Regulations, IITL Projects Limited (“Company”) is required to put in place a plan for orderly succession for appointment to the Board of Directors (“the Board”) and Senior Management.

Accordingly, this succession plan (“**Succession Plan**”) for the appointment of the Directors on the Board, Key Managerial Personnel and Senior Management has been adopted by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee (NRC), to give effect to the provisions of the Listing Regulations.

DEFINITIONS

The definitions of some of the key terms used in this Policy are given below.

“**Act**” means Companies Act, 2013 and Rules framed thereunder;

“**Board**” means Board of Directors of the Company.

“**Company**” means IITL Projects Limited.

“**Committee(s)**” means Committees of the Board for the time being in force.

“**Key Managerial Personnel**” (KMP) refers to key managerial personnel as defined under the Act and includes:

- i. Managing Director (MD) or Chief Executive Officer (CEO) or Manager or Whole Time Director (WTD)
- ii. Chief Financial Officer (CFO);
- iii. Company Secretary (CS); and
- iv. Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board.

“Nomination and Remuneration Committee” (NRC) means Nomination and Remuneration Committee of Board of Directors of the Company for the time being in force.

“SEBI Listing Regulations” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including amendments made to it from time to time.

The Act and SEBI Listing Regulations **define “Senior Management”** as 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/manager (including chief executive officer/manager, in case they are not part of the board) including the functional heads and shall specifically include company secretary and chief financial officer.

In line with above, the Board has defined Senior Management as personnel of the Company who are Chief Financial Officer and Company Secretary of the Company.

ROLE OF NOMINATION AND REMUNERATION COMMITTEE (NRC)

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- d) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

OBJECTIVE

The objective of this Policy is to ensure the orderly identification and selection of new Directors or Senior Management in the event of any vacancy, whether such vacancy exists by reason of an anticipated retirement, an unanticipated departure, the expansion of the size of the Company, or otherwise.

APPLICABILITY:

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

1. Board, Manager, Key Management Personnel and Critical roles.
2. Any other positions within the Company at the discretion of the Board.

RESPONSIBILITIES FOR SUCCESSION PLANNING

Key positions are identified as follows:

- Board of Directors;
- Key Managerial Personnel.
- Senior Management

The Human Resources Department (HRD) of the Company shall periodically review and consider the list of Senior Management due for retirement within the year. HR is required to consider the new vacancies that may arise because of business needs / up-gradation of departments and recommend to the Board. HR shall also assess the availability, internally and / or externally as the case may be, of suitable candidates for the Company's future growth and development.

The Board with the assistance of NRC, is responsible for succession planning for the Chairman, Directors, Key Managerial Personnels and Senior Management.

The Board will consider either to hire or to internally promote to the position of Chairman, Directors, Key Managerial Personnel and Senior Management, when anyone of the mentioned position leaves and to ensure the successor has the required skills to implement the strategies of the Company.

SUCCESSION PLANNING PROCESS

a) Board Level Appointment:

The Board with the assistance of NRC of the Company shall identify the suitable person from among the existing top management or from the outside to fill up the vacancy at the Board level. The appointment of the person at the Board level shall be in accordance with the applicable provisions of the Companies Act, 2013 read with terms of Corporate Governance as may be amended from time to time.

b) Senior Management Level Appointment:

The vacancy at Senior Management i.e. all members of management who are in the Whole-Time employment of the company and functional heads shall be filled by the Board, (on the recommendation of the NRC) in line with the internal policy adopted by the management, keeping in view the organization's mission, vision, values, goals and objectives.

c) Emergency Succession:

If a Director slot/Senior Management position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Nomination & Remuneration Committee shall convene a special meeting as early as possible.

- d) Determine the required capabilities for critical positions. List down competency profile of the selected talents or employees and appoint such persons;
- e) In addition, it will assess the performance of the selected employees on annual basis
- f) Monitor and track the overall progress
- g) Successful transition of the key positions particularly the Chairman, Manager is essential to maintain the confidence of stakeholders. The vacancies of key positions will be planned ahead and be organized in a manner that ensures proper and smooth transition

TRAINING

The Company will conduct regular training, Management Development programmes / familiarisation programme.

KEY SUCCESS FACTORS

The support from the Board of Directors, the Chairman, and Senior Management are important for the succession planning process. This will give all employees an understanding and emphasis on the importance of succession planning to the Company.

Regular review and update for the succession plan is vital to ensure the Company has re-evaluated the hiring needs and assess the development progress of the selected candidates.

REVIEW AND MONITORING

The Nomination and Remuneration Committee shall review and monitor from time to time the implementation of this Policy to ensure its effectiveness and may also recommend changes, if any, to the Board for ensuring effective succession planning.

DISCLOSURES

The Company shall disclose this Policy on its website and a web link thereto shall be provided in the Annual Report.

AMENDMENTS TO THE POLICY

The Board shall have the power to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this Policy. The Board reserves the right to amend this Policy from time to time based on changing requirements as prescribed by the SEBI/Stock Exchange(s) or any other appropriate statutory authority.