

**SUCCESSION PLAN FOR BOARD
OF DIRECTORS & SENIOR
MANAGEMENT**

Venus Pipes & Tubes Limited

Succession Planning of Venus Pipes & Tubes Limited for Board and Senior Management of the Company

This Succession Planning (herein after referred to as “**Framework**”) is in pursuance to the Board’s responsibility to oversee succession plans of the Company for appointments to the Board and Senior Management of the Company. This Framework has been approved by the Board in their meeting held on October 21, 2021, and the same shall become effective from October 21, 2021.

A change in executive leadership is inevitable for any organizations. This Framework acknowledges that staff will not be with an organization indefinitely and it provides a plan and process for addressing the changes that will occur when they leave. It lays down the procedures to be followed and steps to be taken to ensure a smooth transition of the Company, in case a Director or Senior Management (jointly referred to as “**Key Executives**”) retires or resigns, or in exigencies such as death or illness.

Scope

This Framework intends to provide a succession plan for vacancies caused in the Board and Key Executive positions in the Company.

Interpretations

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

“**Company**” means Venus Pipes & Tubes Limited

“**Director**” means all the present directors of the Company, whether in whole-time employment of the Company or not.

“**Key Managerial Personnel**” means the managing director, whole-time director, chief executive officer, manager, company secretary or chief financial officer of the Company and such other officer as identified by the Management.

“**Senior Management**” means employees of the Company who are member of its score management team excluding Board of Directors comprising of Key Managerial Personnel of the Company and all members of management one level below the executive directors, including the functional heads.

Modes for Succession

The Nomination and Remuneration Committee (the “**Committee**”) shall, in consultation with the Board on an ongoing basis, assess the leadership needs of the Company and help ensure the selection of qualified and capable leaders who can be good fit for the Company’s vision, values, goals and objectives and who has the necessary skills for the position. The Committee will work with the Board or the Group CEO & Whole Time Director, and the Human Resources Department to assess the current term of Key Executives of the Company and any retirement or resignation plans.

Based on the above mentioned criteria, a potential candidate for the position of Key Executive can be selected either from within the organization or may be an external recruit. The Committee will maintain a data base of information (“**Database**”) on potential replacement candidates, in preparation for any planned or unplanned departures by the Key Executives, and such Database

shall be reviewed and assessed annually by the Board so that the list of candidates remains current and viable.

Identification and development of Internal Candidates

I. Identification

For identification of potential candidates from within the Company, the candidate must have high potential along with traits to lead the Company/function for which he is being considered. Performance appraisals of the candidate should be assessed to review the dedication and growth potential. Further, his long-term vision and expectation from the organization needs to be objectified, which shall sign all his/her interest in progression in the Company. Further, his career track record may be referred to, to assess the stability of the candidate in a particular organization.

II. Training and development

The Committee will work with the Board or the Group CEO & Whole Time Director, if so, authorized by the Board and the Human Resources Department, on an ongoing basis, to focus on developing needs of such potential internal candidates to ensure that the right mix of skills and personality are being developed, monitor the development of these candidate and be positioned to assess the readiness of candidates. Appropriate resources shall be deployed and training shall be made available to give such candidates a chance for success. In addition, the Committee and the Board shall periodically monitor the Company's general executive development program to determine if it is adequate and likely to produce the type of talent it takes to sustain effective leadership.

Identification of external candidates

The Committee shall work with the Board or the Group CEO & Whole Time Director, Human Resources Department in identification of prospective external candidates for Key Executive positions, taking into consideration the criteria as laid down above. For this purpose, the Committee may involve professional job consulting agencies or through available contacts with the Company.

For succession as an Independent Director of the Company, the Company may also look for suitable candidates from the data bank, as mentioned by the Government or any other body in that regard.

Procedure for succession

A. In case of temporary vacancy caused due to illness or leave of absence

In such cases, the second in command to the Key Executive, which may be in accordance to their grades or designation or any other superiority criteria as may be determined by the Group CEO & Whole Time Director or the Head of Human Resources Department, shall take over the responsibility till the Key Executive resumes his office.

B. In case of foreseeable vacancy such as retire mentor removal

In such cases the Committee shall, in consultation with the Group CEO & Whole Time Director and the Head of Human Resources Department, at least one month before the impending retirement or removal, start the process of selecting a candidate from the existing Database of the Company.

Once the vacancy is created:

- I. In case of appointed as a Director or a Key Managerial Personnel, recommend to the Board the candidature of the selected individual for its approval.
- II. In case of appointments to Senior Management, excluding Key Managerial Personnel, the Committee shall itself appoint or may ratify the appointment made by the Group CEO & Whole Time Director or the Head of Human Resources, if so, authorized by the Committee.

In case an external candidate has been selected to the Key Executive position, appropriate training should be provided so as to familiarize him/her with the organization and roles and responsibilities that are expected of him/her.

C. In case of unforeseeable vacancy caused due to resignation, death or otherwise

In such cases, the following procedures will be followed to ensure that the Company's operations are not interrupted while the Board identifies a successor:

- i. In case of appointment of Directors and Key Managerial Personnel, within 30 business days, the Committee shall work with the Group CEO & Whole Time Director and the Head of Human Resources Department to identify a suitable candidate from the Database as kept by the Company and recommend the same to the Board.
- ii. Once recommended, the Board shall assess the candidate, post which it may approve or reject his/her candidature. In case of rejection, the Committee shall, as soon as possible, select another candidate for recommendation to the Board.
- iii. In case of appointments to Senior Management, excluding Key Managerial Personnel, the Committee shall, or if so, authorized by the Committee, the Group CEO & Whole Time Director in consultation with the Head of Human Resources identify and appoint persons capable of handling the responsibilities of the Senior Management position, from the Database of maintained for this purpose.
- iv. In the interim, the functions of the Key Executive, excluding that of non-executive directors, shall be performed by such employees of the Company who are second in command to the Key Executive, in accordance to their grades or designation or any other superiority criteria as may be determined by the Group CEO & Whole Time Director or the Head of Human Resources Department.

Administration and review

The Board shall be responsible for overseeing the implementation of this Framework and its related procedures from time to time. The Board reserves its right to amend or modify this Framework in whole or in part, at any time without assigning any reason whatsoever.