

**VUB ENGINEERING LIMITED\***

**PLAN FOR ORDERLY SUCCESSION FOR THE APPOINTMENT OF  
DIRECTORS AND SENIOR MANAGEMENT**

Formulated on: June 24, 2025

*\* VUB ENGINEERING LIMITED, formerly known as V U B ENGINEERING LIMITED.*

*\*\*The Board of Directors of the Company at its Meeting held on June 24, 2025 approved the policy and the same shall come into force from the date of listing of the securities of the Company on recognized stock exchanges.*

**Background:**

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, ("**Company**") is required to put in place a plan for orderly succession for appointment to the board of directors and senior management.

Whereas under Section 178 of the Companies Act, 2013 ("**Companies Act**"), the Company is required to constitute a Nomination and Remuneration Committee and development of a succession plan for the Board and senior management is an object of the Nomination and Remuneration Committee.

Accordingly, this succession plan ("**Succession Plan**") for the appointment of the Directors on the Board and Key Managerial Personnel has been prepared to give effect to the provisions of the Listing Regulations.

**Objective:**

The objectives of the succession planning programme shall, inter-alia, include the following:

- To identify and nominate suitable candidates for the Board's (including Nomination and Remuneration/Compensation Committee) approval to fill the vacancies which arises in the Board for Public Interest Directors or Shareholders Directors from time to time which will be subject to the approval/prior approval of SEBI respectively in terms of the Listing Regulations and SEBI (Depository & Participants) Regulations, 1996.
- To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
- To identify the key job incumbents in Senior Management and recommend whether the concerned individual (i) be granted an extension in term/service or (b) be replaced with an identified internal or external candidate or recruit other suitable candidate(s) as per the service rules of the Company.
- To ensure the systematic and long-term development of individuals in the senior management level to replace when the need arises due to deaths, disabilities, retirements, and other unexpected occurrences.

**Applicability:**

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

1. Managing Director and CEO and other Board of Directors;
2. Key Management Personnel and Senior Management:-
  - i) Chief Financial Officer
  - ii) Company Secretary
3. Any other positions within the Company at the discretion of the Managing Director & CEO in consultation with the Board.

**Succession Plan:**

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

**Succession Plan for the Board and the senior management:**

There are three types of Directors being appointed on the Board of the Company.

As per the provisions of Section 203 of the Companies Act, the Company shall have the following Key Managerial Personnel:

- i. Managing Director or Chief Executive Officer or Manager and in their absence the Whole-time Director
- ii. Company Secretary
- iii. Chief Financial Officer

**Succession Plan for the Board**

a. In line with the Nomination and Remuneration Policy of the Company, the NRC shall undertake a due diligence process to determine the suitability of a person for being appointed or re-appointed as a Director of the Company, based on their educational qualification, experience, expertise, track record, and other parameters as prescribed under the applicable laws and regulations.

b. Accordingly, any appointment or re-appointment of a Director shall be subject to prior approval/recommendation by NRC.

**Succession Plan for the Senior Management**

The Nomination and Remuneration Committee shall review periodically and consider the list of Senior Management due for retirement/attrition within the year. The Nomination 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 the CEO & Executive Director, Executive Director(s), KMP's, Head of the concerned Department, Head- Human Resources and other concerned, the Nomination Committee:

1. shall evaluate the incumbent after considering all relevant criteria like experience, age, leadership quality etc. and recommend to the Board whether the concerned individual be granted an extension in term/service or be replaced with an identified internal or external candidate.

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 of Directors 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 CEO & Executive Director, Executive Directors 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.

- The recommendation of the Nomination Committee shall be placed to the Board for approval. While making its recommendation, the Nomination Committee shall consult with the concerned and all factors including the available talent within the organization and the need to ensure continues working and growth of the Company shall be carefully considered.
- Every member of the senior management shall always endeavor to add capability in-house and mentor officials with potential working under him to handle his responsibility in his absence by exposing him to all aspects of work being handled by him.
- 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.

### **Process**

The process to be followed for Succession Planning is as follows:

- a. Identify Critical Roles
- b. Construct Success Profiles
- c. Assess Staff
- d. Create Development Plans
- e. Develop Successors
- f. Successors Ready
- g. Review and Adapt

### **Confidentiality**

All persons responsible for execution of the Succession Planning Policy shall ensure confidentiality of the discussions and decisions with regard to the prospective candidate, except that the information may be shared, if required, with the concerned candidate in order to prepare him for such elevation.

### **Review of Policy:**

This Policy shall be subject to review, if necessary. Any change/amendments in Applicable Laws regarding succession planning for the Board and Senior Management shall be deemed to be covered in this Policy. Any change/amendments to this Policy shall be approved by the Nomination and Remuneration Committee which would be ratified by the Board of Directors of the Company at the next meeting of the Directors of the Company, held after such amendment.

The Board has the power to replace this Policy entirely with a new policy on recommendation by the Nomination and Remuneration Committee.