

**SUCCESSION POLICY
FOR THE BOARD & SENIOR
MANAGEMENT**

ORIENTAL NAGPUR BETUL HIGHWAY LIMITED

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INTRODUCTION:

With the objective to adopt a systematic approach to identify, select, and develop talent to help them get ready for critical roles and prepare the organizational talent pipeline for the future we undertake the succession planning process on an annual basis.

Additionally, the Securities and Exchange Board of India (SEBI) mandates the need for a succession policy pursuant to Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") to ensure that investors do not suffer due to sudden or unplanned gaps in leadership. It is a mandate for board of directors of all listed companies to develop an action plan for successful transition of key executives.

The policy on succession planning for the Board of Directors and senior management ("Policy") has been formulated by the Nomination and Remuneration Committee ("Committee") of Oriental Nagpur Betul Highway Limited ("Company"), in line with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"). It has been considered and approved by the Board of Directors ("Board") of the Company.

OBJECTIVE:

There are certain positions in the Company that are key to its current and future growth. It is, therefore, important that these positions are assigned to duly skilled and best possible incumbents. It is critical to fill up such positions well in time to avoid any leadership gap.

The objective of the succession planning program shall, inter-alia, include the following:

1. To ensure the Company is prepared with a plan to support operations and continuity of service when any member of the Board of Directors ("Board") or Senior Management (as defined hereinafter) leaves their position in the Company.
2. To identify and nominate suitable candidates for the Board of Directors' approval (including Nomination and Remuneration Committee) to fill the vacancies which arise in the Board or Senior Management from time to time.
3. To identify the competency requirements of critical and key positions, assess potential candidates and develop required competencies through planned development and learning initiatives.
4. To ensure systematic and long-term development of individuals in the Board and the Senior Management in order to make them ready to replace when the need arises due to deaths, disabilities, retirements and other unexpected occurrence at the senior management levels.

DEFINITION:

- i. **"Board"** means Board of Directors of the Company.
- ii. **"Company"** means Oriental Nagpur Betul Highway Limited

- iii. **“Companies Act, 2013” or “the Act”** means the Companies Act, 2013 read with the Rules framed thereunder (including any modification(s) / amendment(s) / re-enactment(s) thereof) (the “Act”).
- iv. **“Director”** means a director appointed on the Board of a Company.
- v. **“Independent Director”** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013.
- vi. **“Senior Management”** means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive Directors, including the functional heads.
- vii. **“LODR”** means the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the circulars issued thereunder (including any modification(s) / amendment(s) / re-enactment(s) thereof).
- viii. **“NRC”** means Nomination and Remuneration Committee of Board of Directors of the Company.

APPLICABILITY:

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

- 1. Managing Director & CEO and other Board of Directors;
- 2. Senior management of the Company as defined in Regulation 16(1)(d) of the LODR;
- 3. Any other positions within the Company at the discretion of the Managing Director & Chief Executive Officer in consultation with the Board.

SUCCESSION PLAN AND ROLE OF NRC:

- 1. The Nomination & Remuneration Committee (“NRC”), shall apply a due diligence process to determine the suitability of every person who is being considered to be appointed or re-appointed as a Director of the Company based on their educational qualification, experience & track record, and every such person has to meet the ‘fit and proper’ criteria, and accordingly any appointment or re-appointment of a Director shall be subject to prior approval / recommendation by NRC.
- 2. The roles and responsibilities of the NRC with respect to succession planning shall, inter alia, include the following:
 - a) To identify and nominate suitable candidates for the Board’s approval to fill the vacancies which arise in the Board and Senior Management positions from time to time.
 - b) To identify the competency requirements of Board and Senior Management positions and assess potential candidates against these competencies.
 - c) To maintain an ongoing list of potential candidates (both internal and external).

- d) To maintain an emergency succession contingency plan in case an unforeseen event such as death or disability occur, that prevents the member of Board or Senior Management from continuing to serve. In the event of any unexpected occurrence in respect of any member in the core management team, the next person as per the organization chart (as far as practicable) shall take interim charge of the position, pending a regular appointment as part of the succession plan.
- e) To ensure that all appointments to the Board and Senior Management positions are in accordance with applicable law.
- f) To ensure that all appointments are made on the basis of merit.
- g) To work closely with the functional head of Human Resources to ensure effective succession planning.

3. Emergency Succession:

If a director's slot /senior management's position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Committee shall convene a special meeting as early as possible to implement the process described herein.

POLICY REVIEW:

- 1. This Policy will be reviewed annually by the Board of Directors. Any modifications or improvements will be accordingly incorporated in the Policy.
- 2. Any changes in the applicable mandatory regulatory provisions shall automatically be treated as part of this Policy.

AMENDMENTS TO THE POLICY:

The Board of Directors, on its own and / or as per the recommendations of NRC can amend this Policy as and when deemed fit. Any or all provisions of this Policy would be subject to revision/amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

DISCLOSURE:

In accordance with the requirements under the LODR and the Act, disclosure regarding the manner in which the performance evaluation has been done by the Board of its own performance, performance of various Board Committees and individual Directors will be made by the Board in the Board's report. Further, the Board's report containing such statement will be made available for the review of shareholders at the general meeting of the Company.

The Policy shall also be available on the website of the Company at <http://www.nagpurbetulhighway.in>

CONFLICT IN THE POLICY:

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down or mentioned under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

This Policy is effective as on date.