

EON ELECTRIC LIMITED

POLICY ON ORDERLY SUCCESSION FOR APPOINTMENTS TO THE BOARD AND SENIOR MANAGEMENT

[Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. INTRODUCTION:

In accordance with the provisions of Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as “LODR Regulations, 2015) entered into by the Company with the Stock Exchanges, the Board of Directors (“the Board”) of EON Electric Ltd. (“the Company”) has adopted this Policy upon the recommendation of the Nomination and Remuneration Committee.

2. 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.

3. DEFINITIONS

- (i) **“Nomination and Remuneration Committee”** or **“Committee”** means the Committee of the Board constituted/re-constituted under the provisions of Regulation 19 of the LODR Regulations, 2015 read with Section 178 of the Companies Act, 2013 as in force from time to time.
- (ii) **“Board of Directors”** or **“Board”** means the Board of Directors of **the Company** as constituted/re-constituted from time to time.
- (iii) **“Company”** means **EON Electric Ltd.**
- (iv) **“Policy”** or **“this Policy”** means Succession Policy.

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- (v) “**Senior Management**” means personnel of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the executive directors, including all functional heads.

4. PROCEDURE

- a) **Board Level Appointment:** The Nomination and Remuneration Committee 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 one level below the executive directors, including all functional heads (CEO/CFO/CS/General Manager) shall be filled up by the Chairman – Managing Director / Executive Director(s) in line with the internal policy adopted by the management, keeping in view the organization’s mission, vision, values, goals and objectives.

5. PROCEDURE FOR IDENTIFYING CANDIDATES

- a. If the Nomination and Remuneration Committee anticipates that a Director slot/Senior Management position shall become vacant within the next twelve months (whether by reason of an announced intent to retire or otherwise), or if such position suddenly becomes vacant (whether by death or otherwise), the Committee shall as soon as reasonably practicable convene a special meeting and recommend to the Board/ Audit Committee (in case of Chief Financial Officer), sufficient number of candidates for selection.

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- b. While identifying potential candidates for nomination as Director or Senior Management, the Committee may consult whatever sources it deems appropriate, including, but not limited to, referrals from existing Directors or Senior Management, recommendations from third-party search firms etc.
- c. The Committee shall have the authority to engage whatever advisors (including attorneys and search firms) it believes appropriate in its efforts to identify and evaluate potential candidates.
- d. The Committee shall also periodically review the list of high performer employees within the Company that may be potential candidates for elevation to the position of Senior Management and can also consider them in case of any vacancy arising at the Senior Management position.

6. 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 ensuing effective succession planning.

7. DISCLOSURES

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