

LIBAS DESIGNS LIMITED

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

1. Introduction

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, Libas Designs Limited (“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.

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.

- i. **“Board of Directors” or “Board”** means the Board of Directors of **Libas Designs Limited** as constituted/re-constituted from time to time.
- ii. **“Company”** means Libas Designs Limited.
- iii. **“Policy”** or **“this Policy”** means Succession Policy.
- 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 that includes CEO/CFO/CS/President.

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) Sr. Management Level Appointment: The vacancy at Senior Management i.e. all members of management one level below the executive directors, (CEO/CFO/CS/President) shall be filled up by the Managing Director in line with the internal policy adopted by the management, keeping in view the organization’s mission, vision, values, goals and objectives.

5. **Emergency Succession**

If a Director slot/Senior Management 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.

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.
