



CLAY CRAFT
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•INDIA•

POLICY FOR ORDERLY SUCCESSION FOR APPOINTMENTS TO THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

CLAY CRAFT INDIA LTD

(formerly known as Clay Craft (India) Private Limited)

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POLICY FOR ORDERLY SUCCESSION FOR APPOINTMENTS TO THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

1. PREFACE

Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") provides that the Board of Directors of every listed company shall satisfy itself that plans are in place for orderly succession for appointments to the Board of Directors ("the Board") and Senior Management. Succession planning is an essential component to the efficient operation and growth of any business. Succession planning is a tool for an organization to ensure its continued effective performance through leadership continuity. Clay Craft India Ltd (the "Company") recognises the importance of the process of succession planning to provide for continuity in the smooth functioning of the Company.

The Board of Directors of the Company adopted the Policy vide its Board meeting held on 20th August, 2025. The Policy shall come into force with effect from the date Regulation 17(4) of the SEBI Listing Regulations takes effect with respect to the Company.

2. OBJECTIVE

- (i) To identify and nominate suitable candidates for the approval of the Board of Directors of the Company ("Board") to fill any vacancy(ies) which may arise in the Board, from time to time;
- (ii) To identify the key job incumbents in Senior Management and recommend whether the concerned individual: (a) be granted an extension in term/service; or (b) be replaced with an identified internal or external candidate or recruit other suitable candidate(s);
- (iii) To identify the competency requirements of critical and key positions in the Company, assess potential candidates and develop required competency through planned development and learning initiatives; and
- (iv) To ensure the systematic and long-term development of individuals in the Senior Management level and to replace when the need arises due to resignations, death, disabilities, retirements, and other unexpected occurrence.

3. APPLICABILITY

The Policy shall be applicable for succession planning of the members of the Board, Senior Management and any other positions within the Company at the discretion of the Managing Director and/or the Chief Executive Officer in consultation with the Board.

4. SUCCESSION PLAN FOR THE BOARD

The Nomination and Remuneration Committee ("NRC") shall determine the suitability of every person who is being considered for appointment or re-appointment as a Director based on his/her educational qualification, experience, track record and contribution to the Board, as applicable, and every such person shall meet the 'fit and proper' criteria as may be stipulated by the Committee, from time to time, and accordingly any appointment or re-appointment of a Director shall be subject to prior approval/recommendation by the Committee.

The Company has also framed a Nomination and Remuneration Policy and a Policy on Diversity of Board of Directors to guide the Board in relation to the appointment/re-appointment/removal of the Directors to ensure adequate diversity in the Board to make good use of the varied skills, regional and industry experience, background, gender, and other qualities of the Directors. Accordingly, the appointment/re-appointment/removal and tenure of Directors shall be governed by the provisions of the Nomination and Remuneration Policy.

5. SUCCESSION PLAN FOR THE SENIOR MANAGEMENT

The Human Resource Department of the Company (the “HR”) shall periodically review and consider the list of Senior Management due for retirement/attrition within the year. HR shall also consider the new vacancies that may arise because of business needs/up-gradation of department(s)/regional office(s). Considering the above, HR shall assess the availability, internally and/or externally as the case may be, of suitable candidates for the Company’s future growth and development.

Further, based on the recommendation of the Managing Director, the HR shall identify the competency requirements of the key positions, assess potential candidates and develop required competency through planned development and learning initiatives. HR may utilise the services of professional search firms to assist in identifying and evaluating potential candidates. Thereafter, the HR may recommend to appoint other suitable external candidate(s) as special recruitment in Senior Management based on the profiles and competency in order to provide a continuous flow of talented people to meet the organisational needs.

In addition to the above, the appointment of Key Managerial Personnel as defined under Section 2(51) of the Companies Act, 2013 shall be made in compliance with the applicable provisions of the Companies Act, read with the SEBI Listing Regulations.

6. REVIEW AND MONITORING

The Board of Directors shall oversee succession planning and shall satisfy itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management. The Board shall have the power to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this Policy.

The Board reserves the right to amend this Policy from time to time based on changing requirements as prescribed by the SEBI/Stock Exchange(s) or any other appropriate statutory authority, subject to the approval and recommendation of the Nomination and Remuneration Committee.

In the event of any conflict between the Companies Act, 2013 or the SEBI Listing Regulations or any other statutory enactments (“Applicable Laws”) and the provisions of this Policy, the Applicable Laws shall prevail over this Policy.

7. DISCLOSURE

The Company shall disclose this Policy on its website i.e. www.claycraftindia.com.

Approved in the Board Meeting held on 20th August, 2025.
