



**“ELIXIR CAPITAL
EMPLOYEE STOCK OPTION SCHEME – 2024”**



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1. Introduction:

- 1.1** This Scheme shall be termed as the “Elixir Capital Employee Stock Option Scheme - 2024” (“**Scheme**”) and shall include any alterations, amendments, additions, deletions, modifications, addendums or variations made thereof in accordance with the applicable laws, from time to time.
- 1.2** The Scheme was approved and formulated by the Nomination and Remuneration Committee (“**Committee**”) at its meeting held on October 15, 2024, and by the Board of Directors at its meeting held on the same day.
- 1.3** The Scheme shall be effective from 22nd January, 2025, being the date of Shareholders’ approval through postal ballot.

2. Term of the Scheme:

- 2.1** The Scheme shall continue in effect unless,
- i. terminated by the Board of Directors; or
 - ii. the date on which all of the Stock Options available for Grant under the Scheme have been granted and exercised, whichever is earlier.
- 2.2** Any such termination of the Scheme shall not affect Options already Granted and the powers of the Committee in relation to such Options, and the same shall remain in full force and effect as if the Scheme had not been terminated unless mutually agreed otherwise between the Grantee / nominee / legal heirs and the Company.

3. Purpose of the Scheme:

- 3.1** The Company has structured this Plan for the Employees of the Company and Employees of its Subsidiary Company. The purpose of the Scheme includes the followings:
- 3.1.1** To attract relevant talent into the Company and its Subsidiary to drive its growth plans.
 - 3.1.2** To motivate the Employees to contribute to the growth and profitability of the Company and its Subsidiary.
 - 3.1.3** To retain the Employees and reduce the attrition rate of the Company and its Subsidiary.
 - 3.1.4** To achieve sustained growth and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company and its Subsidiary.

3.1.5 To foster a sense of ownership and participation amongst the Employees, allowing them to share in the value they create for the Company and its Subsidiary in the years to come, and

3.1.6 To provide deferred rewards to Employees.

4. Definitions and Interpretations:

4.1 In this Scheme the following expressions including their grammatical variations and cognate expression shall, unless repugnant to the context or meaning thereof, have the meaning assigned to them respectively hereunder:

4.1.1 **“Abandonment”** means absence of an Employee from work for a period of 30 days or more without having communicated to the Company or its authorized representative in writing any reason of absence.

4.1.2 **“Acceptance form”** shall mean the form that the Grantee has to submit either in physical or electronic form as the case may be, indicating his acceptance of the Grant/ the Grant Letter, in accordance with this Scheme, on or before the Closing Date.

4.1.3 **“Applicable Law”** means every law relating to Employee Stock Option Schemes in force, including, without limitation to, Company Act, 2013, SEBI (SBEB & SE) Regulations (as defined hereinafter), SEBI Listing Regulations (as defined hereinafter), as amended, and all relevant revenue, tax, securities or exchange control regulations or corporate laws of India to the extent applicable.

4.1.4 **“Bad Leaver”** means an employee who is a Leaver as a result of:

- a) Termination due to Cause.
- b) being designated as a Bad Leaver as set out under the proviso of the definition of **“Good Leaver”**.

4.1.5 **“Board of Directors”** means the Board of Directors of the Company, which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, constituted by the Board of Directors to exercise its powers.

4.1.6 **“Body Corporate”** shall have the same meaning as defined in section 2(11) of the Company Act, 2013, as amended from time to time.

4.1.7 **“Cause”** means:

- a) Breach by the relevant Employee of the any of the terms in the Grant Letter,

his/her service contract/ terms of employment, other contract or employment related handbook, code of conduct, applicable policies, any confidentiality or any non-competition agreement with the Company and/or its Subsidiary Company, in India or Outside India, as relevant.

- b) illegal or unlawful acts of a Grantee, including, theft and fraud or dishonesty in relation to the Company and/or its Subsidiary Company.
- c) the Grantee committing an offence involving moral turpitude or unethical business conduct.
- d) the Grantee committing any breach of his obligations under the employment agreement, Company Policies or any other agreement with the Company or any of the applicable policies of the Company and/or its Subsidiary Company (including the sexual harassment policy in force from time to time) which, if remediable, is not remedied within 7 (Seven) days of a written notice by the Company identifying such breach, or refusing or neglecting to comply with any reasonable and lawful directions of the Board;
- e) any willful misfeasance or willful misconduct or gross negligence by the Grantee, or other act or omission which is detrimental to the business or reputation of the Company and/or its Subsidiary Company, in India or Outside India.
- f) breach of applicable securities laws including but not limited to laws on insider trading, fraudulent and unfair trade practices, etc. or
- g) any other act which would permit summary dismissal under Applicable Laws or employment terms.

4.1.8 “**Cessation Date**” means the last working day of employment of the employee with the Company and/or its Subsidiary Company.

4.1.9 “**Closing Date**” means 30 (Thirty) days from the date of receipt of the Grant Letter by the Grantee.

4.1.10 “**Compensation Committee**” or “**Committee**” or “**NRC**” means Nomination and Remuneration Committee of the Company, designated as Compensation Committee for the purpose of monitoring, administering, superintending, and implementing the Scheme in compliance with SEBI (SBEB & SE) Regulations (*as defined hereinafter*).

4.1.11 “**Company**” means Elixir Capital Limited, a company incorporated and registered under Company Act, 2013, having its registered office at 58, Mittal Chambers, 228, Nariman Point, Mumbai City, Mumbai, Maharashtra, India, 400021.

4.1.12 "Company Policies/ Terms of Employment" means the Company's policies for Employees and the terms of employment as contained in the employment letter and the company handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other employees and customers. Policies/terms of employment of Subsidiary Company as regards an Option Grantee on the payrolls of such Subsidiary Company.

4.1.13 "Corporate Action" shall have the same meaning as ascribed under the SEBI (SBEB & SE) Regulations, and includes the following:

- (a) A change in the capital structure of the Company as a result of bonus issue, Right Issue, stock split/sub-division of Shares or consolidation of Shares.
- (b) Merger, de-merger, reconstitution, spin-off, consolidation, amalgamation, reclassification of capital.

4.1.14 "Directors" shall have the same meaning as defined under section 2(34) of the Company Act, 2013.

4.1.15 "Eligibility Criteria" means the criteria, as may be determined from time to time by the Committee, for Grant of Options.

4.1.16 "Employee" means:

- (a) An employee as designated by the Company, who is exclusively working in India or outside India; or
- (b) A director of the Company, whether a Whole Time Director or not, including a non-executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or
- (c) An employee as defined in (a) or (b), of a Subsidiary Company, in India or Outside India, of the Company,

but does not include

- (a) An Employee who is a Promoter or a person belonging to the Promoter Group; or
- (b) A director who either himself or through his Relative or through any Body Corporate directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

4.1.17 "Exercise" means submission of an application (in prescribed form), either in physical or electronic form as the case may be, by the Grantees, as prescribed by

the Committee, from time to time, to the Committee for issue/ allotment of Shares of the Company, to such Grantee against his vested options in accordance with the Scheme, on payment of Exercise Price, applicable taxes or other charges, if any.

4.1.18 “Exercise Period” means the time period after Vesting within which a Grantee can Exercise his right to apply for shares against his vested options in accordance with procedure set out in the Scheme.

4.1.19 “Exercise Price” means the price payable by the Grantee for exercising the Options vested in him in accordance with the Scheme.

4.1.20 “Exercise Window” means a period within which vested Options can be exercised within the overall exercise period, shall be as decided and communicated by the Committee from time to time.

4.1.21 “Good Leaver” means Grantee who is a Leaver as a result of:

- a) Superannuation/retirement at the retirement age under terms of employment;
- b) ill-health preventing continued employment, as determined by the Committee based on a certificate of one or more medical experts identified by the Committee;
- c) voluntary resignation/termination (not due to cause) from the employment with the Company by the Employee (provided that if there is an ongoing investigation or proceeding against such employee as on the Cessation date in connection with or relating to an event of cause, then such employee shall not be a good leaver unless Committee specifically designates such employee as a good leaver);
- d) for any other reason, if the Committee so decides, as per the Company Policy.

Provided that a Grantee who is a Good Leaver at the Cessation Date may be characterized as a Bad Leaver if after the Cessation Date the Grantee breaches the terms of any confidentiality or non-compete, non-solicit, non-disparagement provisions of his employment contract or any other agreement between the Grantee and the Company from time to time.

4.1.22 “Grant” means the process by which the Company issue of Options to the Grantee under the Scheme.

4.1.23 “Grant Date” means the date on which the Committee approves the Grant.

***Explanation:** For accounting purposes, the Grant Date will be determined in accordance with applicable accounting standards.*

- 4.1.24 “Grant Letter”** means the letter issued to the Grantee either in written or electronic form between the Company and a Grantee setting forth the terms and conditions applicable to a Grant to the Grantees under the Scheme.
- 4.1.25 “Grantee”** shall mean an Eligible Employee to whom Options have been granted under the Scheme and a Grant letter has been issued as per the terms and conditions of this Scheme.
- 4.1.26 “Independent Director”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 4.1.27 “Long Leave”** means a leave approved by the company taken by the Grantee for a period of more than three months out of twelve months starting from the date of Grant / Vesting, as the case may be.

Provided that the period of Long Leave shall not include the period in which the Grantee is on a sabbatical and maternity leave. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Long Leave unless otherwise determined by the Committee.

- 4.1.28 “Market Price”** means the latest available closing price on a recognized Stock Exchange i.e BSE Limited on which the Shares of the Company are listed on the date immediately prior to the Relevant Date.

Explanation – If such shares are listed on more than one recognised stock exchange, then the closing price on the recognised stock exchange having higher trading volume shall be considered as the market price.

- 4.1.29 “Nominee” or “Beneficiary”** means the person or persons, designated by the Grantee or in the absence of any designation by the Grantee, a person or persons who is/ are entitled by the will or probate of the Grantee to receive the benefits specified in this Scheme, the legal heirs of the Grantee, if the Grantee dies intestate and includes the Grantee's executors or administrator, if no other beneficiary is designated and able to act under the circumstances and such other persons as may be added from time to time to the class of beneficiaries by notice in writing and by the nomination form in the exercise of any powers conferred under the Scheme or any other agreements forming part thereof.
- 4.1.30 “Options / Employee Stock Options”** means a right but not an obligation granted to a Grantee to purchase or subscribe at a future date, the Shares offered by the Company, directly or indirectly, at a pre- determined price, in accordance with this Scheme.

- 4.1.31 “Permanent Disability”** means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps a Grantee from performing any specific job, work or task which the said Grantee was capable of performing immediately before such disablement, as determined by the Committee based on a certificate of a medical expert identified by the Company.
- 4.1.32 “Permanent Disability Leaver”** means a Grantee who is a Leaver as a result of Permanent Disability.
- 4.1.33 “Promoter”** shall have the same meaning as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
- 4.1.34 “Promoter Group”** shall have the same meaning as under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
- 4.1.35 “Recognised Stock Exchange”** means a stock exchange which has been Granted recognition under section 4 of the Securities Contracts (Regulation) Act, 1956.
- 4.1.36 “Relative”** shall have the same meaning as defined in section 2(77) of the Company Act, 2013, as amended from time to time.
- 4.1.37 “Relevant Date”** means the date of the meeting of the Committee on which the Grant is made and in the case of exercise, the date on which the notice of exercise is given to the company by the Grantee.
- 4.1.38 “Scheme”** shall mean Elixir Capital Employee Stock Option Scheme – 2024 Employee Stock Option Scheme – 2024 and shall include any alteration(s), amendment(s), addition(s), deletion(s), modification(s), or variation(s) thereof from time to time.
- 4.1.39 “SEBI (SBEB & SE) Regulations”** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and shall include any alteration(s), amendment(s), addition(s), deletion(s), modification(s), or variation(s) thereof.
- 4.1.40 “SEBI Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall include any alteration(s), amendment(s), addition(s), deletion(s), modification(s), or variation(s) thereof.
- 4.1.41 “Shares”** means Equity Shares of the Company.
- 4.1.42 “Subsidiary Company”** shall have the same meaning as defined in section 2(87)

of the Company Act, 2013, as amended from time to time.

4.1.43 “Unvested Option” means an Option, which is not vested.

4.1.44 “Vested Option” means an Option, which has vested in pursuance to the Scheme and has thereby become exercisable.

4.1.45 “Vesting” means the process by which the Grantee becomes entitled to receive the benefit of a Grant made to him under the Scheme.

4.1.46 “Vesting Date” means the date on and from which the Option granted vests with the Grantees and thereby becomes exercisable.

4.1.47 “Vesting Period” means the period during which the vesting takes place.

4.1.48 Voluntary Resignation”/ “Voluntarily Resigns” means a Grantee who voluntarily separates/resigns from the Company for any reason, in circumstances other than by reason of Death and Permanent Disability and is not categorized as a **“Bad Leaver”**. Provided that Committee may at its sole discretion categorize the Grantee who voluntarily resigns/separates from the Company as a **“Good Leaver”**.

4.1.49 “Whole Time Director” shall have the same meaning as defined in section 2(94) of the Company Act, 2013, as amended from time to time.

Interpretation:

In this document, unless the contrary intention appears:

- a) *Any clause/article referring to the Employees of the Company shall include the Employees of a Subsidiary Company, in India or outside India, of the Company.*
- b) *The singular includes the plural and vice versa;*
- c) *The word “person” includes an individual, a firm, a Body Corporate or unincorporated body or authority;*
- d) *Any word or expression importing the masculine, feminine or neutral genders only, shall be taken to include all genders;*
- e) *Any word which is not defined under the Scheme and is not otherwise elaborated or addressed in the Grant Letter or in the Company’s policies shall be interpreted in line with SEBI (SBEB & SE) Regulations, Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956 or the Company Act, 2013 and any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislation, as the context requires.;*
- f) *Articles, headings are for information only and shall not affect the construction of this document;*
- g) *A reference to an article is respectively a reference to an article of this document; and*
- h) *Reference to any act, rules, statute or notification shall include any statutory*

modification, substitution or re-enactment thereof.

5. Implementation & Administration:

5.1 The Scheme shall be implemented through direct route for extending the benefits to the eligible Employees by the way of fresh allotment from the Company.

Provided that if prevailing circumstances so warrant, the Company may change the mode of implementation of the Scheme subject to the condition that a fresh approval of the shareholders by a special resolution is obtained prior to implementing such a change and that such a change is not prejudicial to the interests of the Grantees.

5.2 The Company will allot fresh Shares to the Grantees upon valid exercise of Options in accordance with terms and conditions of the Scheme.

5.3 Subject to Applicable Law and the framework laid down by the Board of Directors, the Scheme shall be administered by the Committee which may delegate its operational administration to any other sub – committee or persons authorized by the Company for proper administration of the Scheme.

5.4 The Committee is authorized to interpret the Scheme, to establish, amend and rescind any rule(s) and regulation(s) relating to the Scheme and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Scheme.

5.5 Any decision of the Committee in the interpretation and administration of the Scheme, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all the parties concerned (including but not limited to, Grantee and/or Employee and their Nominees / Legal heirs).

5.6 The Committee shall subject to Applicable Law, inter alia, have powers to do following:

- i.** To adopt rules and regulations for implementing the Scheme from time to time.
- ii.** To delegate its operational administration in whole or in part as it may decide from time to time to any person or sub-committee
- iii.** To decide upon re-granting of Options which were lapsed, forfeited or surrendered under any provisions of the Scheme.
- iv.** To increase the pool of Options and the Pool of the Shares to be granted under Scheme.
- v.** To identify the Employees eligible to participate in the Scheme.
- vi.** To finalize the Eligibility Criteria for Grant of Options.
- vii.** To determine the Employees eligible for Grant of Options.
- viii.** To decide upon granting of Options to new Joinees.
- ix.** To Grant Options to one or more eligible Employees.

- x. To determine the number of Options to be granted to each Grantee and in aggregate subject to the pool of Options of the Scheme.
- xi. To determine the Grant, Vesting and Exercise of Options for Employees on Long Leave.
- xii. To decide the Vesting Period subject to minimum and maximum period of vesting as stated in Scheme.
- xiii. The specified time period within the employee can exercise the vested options in the event of termination or resignation.
- xiv. To identify the circumstances under which employee is categorised as Bad leaver, Good Leaver in the event of cessation.
- xv. To decide the exercise of vested options in him at one time or at various points of time within the exercise period.
- xvi. To determine the vesting schedule for each Grantee.
- xvii. To finalize the criteria for vesting of Options.
- xviii. To determine the Employees eligible for vesting of Options.
- xix. To decide the Exercise Period within which Employees can Exercise the Option.
- xx. To determine the method for exercising the Vested Options.
- xxi. To determine the Exercise Price of the Options to be Granted after giving due discount, if deems fit.
- xxii. To determine the conditions under which Options may vest in employees and may lapse in case of termination of employment for misconduct.
- xxiii. To decide upon treatment of Vested and Unvested Options in cases of cessation of employment as specified in the Scheme.
- xxiv. To decide upon the mode and manner of exercise.
- xxv. To allot Shares to Grantees upon exercise.
- xxvi. To decide upon the treatment of Vested and Unvested Options in the event of Corporate Actions taking into consideration the following:
 - i. the number and price of Options shall be adjusted in a manner such that the total value to the Grantee of the Options remains the same after the Corporate Action;
 - ii. the Vesting Period and the life of Options shall be left unaltered as far as possible to protect the rights of the Grantee who has been granted such Options.
- xxvii. To cancel all or any granted Options in accordance with the Scheme.
- xxviii. To modify the vesting schedule or accelerate the Vesting of Options on a case-to-case basis, subject to completion of minimum 1 year from the date of Grant.
- xxix. To decide upon treatment of Vested and Unvested Options in cases of dispute between the Grantee and Company.
- xxx. To establish, amend, suspend or waive such rules and regulations as it shall deem appropriate for the proper administration of the Scheme.
- xxxi. To appoint such agents as it shall deem necessary for the proper administration of the Scheme.
- xxxii. To determine or impose other conditions to the Grant of Options under the Scheme, as it may deem appropriate.

- xxxiii. To frame suitable policies and procedure to ensure that there is no violation of securities laws, including the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 as amended, by the Company or the Employees.
 - xxxiv. To determine the procedure for funding the exercise of Options.
 - xxxv. To determine the procedure for buy-back of Options Granted under the Scheme, if to be undertaken at any time by the Company, and the applicable terms and conditions in accordance with the Applicable Law.
 - xxxvi. To determine the terms and conditions, not inconsistent with the terms of the Scheme, of any Option Granted hereunder.
 - xxxvii. To approve forms or agreements for use under the Scheme.
 - xxxviii. To decide all other matters that must be determined in connection with an Option under the Scheme.
 - xxxix. To construe and interpret the terms of the Scheme, and the Options Granted pursuant to the Scheme.
 - xl. To Frame rules and regulations, prescribe forms and issue circulars or orders in relation to the Scheme and may from time to time amend, recall or replace such rules and regulations, forms, orders and circulars.
- 5.7 The powers and functions of the Committee can be specified, varied, altered or modified from time to time by the Board of Directors, subject to the rules and regulations as may be in force. The Board of Directors may further provide that the Committee shall exercise certain powers only after consultation with the Board of Directors and in such case, the said powers shall be exercised accordingly.
- 5.8 A member of the Committee shall abstain from participating in and deciding on any matter relating to Grant of any Options to himself.

6. Pool of the Scheme:

- 6.1 The maximum number of Options that may be granted in one or more tranches, pursuant to this Scheme shall not exceed 20,00,000 (Twenty Lakh) Options which shall be convertible into equal number of Shares not exceeding 20,00,000 (Twenty Lakh) Equity Shares having face value of Rs. 10/- each.
- 6.2 Notwithstanding anything contained in 6.1, if any Option Granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be added back to the pool and shall be available for further Grant under the Scheme unless otherwise determined by the Committee.
- 6.3 Further, the maximum number of Options that can be Granted and the Shares arise upon Exercise of these Options shall stand adjusted in case of Corporate Action.

6.4 The Company reserves the right to increase such number of Options and Shares as it deems fit, in accordance with the Applicable Law.

7. Appraisal and Eligibility Criteria's:

7.1 The Committee may on the basis of all or any of the following criteria, decide on the Employees who are eligible for the Grant of Options under the Scheme, the number of Options to be Granted and the terms and conditions thereof.

- **Longevity of Service:** It will be determined on the basis of tenure of employment of an Employee in the Company/ Subsidiary Company.
- **Performance of Employee:** Employee's performance during the financial year in the Company/ Subsidiary Company on the basis of decided parameters.
- **Performance of Company:** Performance of the Company/ Subsidiary Company as per the standards to be set by the Committee/ Board of Directors from time to time.
- Any other criteria as decided by the Committee in consultation with Board of Directors from time to time.

7.2 The Employees satisfying the Eligibility Criteria shall be termed as "**Eligible Employee**".

7.3 New Joinees can also participate in the Scheme and be Granted Options based upon the discretion of the Committee.

7.4 Nothing in the Scheme or in any Option Granted pursuant to the Scheme shall confer on any Employee, any right to continue in the employment of the Company or interfere in any way with the right of the Company to terminate the Employee's employment at any time.

8. Grant of Options:

8.1 The Committee shall Grant Options to one or more eligible Employees, in accordance with the terms and conditions of the Scheme for the time being in force and subject to Employee's employment terms or his continuity in the employment.

8.2 Subject to availability of Options in the pool under the Scheme, the maximum number of Options that can be granted to any eligible Employee during any one year shall not be equal to or exceed 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company at the time of Grant. The Committee may decide to Grant such number of Options equal to or exceeding 1% of the issued equity share capital (excluding outstanding warrants and conversions) to any eligible Employee as the case may be, subject to the separate approval of the Shareholders in a general meeting.

8.3 The Grant of Options shall be communicated to the eligible Employees in writing through Grant Letter specifying the Vesting Date, number of Options Granted, Exercise Price,

vesting schedule, and the other terms and conditions thereof.

- 8.4 No amount shall be payable by an Employee at the time of Grant of Options.
- 8.5 Upon Grant, an eligible Employee shall become Grantee under the Scheme.
- 8.6 Subject to the Corporate Action(s) taken by the Company, if any, the Grant of 1 (One) Option to an Employee under this Scheme shall entitle the Grantee to apply for 1 (One) Share in the Company upon payment of Exercise Price, applicable taxes and other charges, if any.
- 8.7 The Options Granted to the eligible Employees shall not be transferable to any other person.
- 8.8 The Options Granted to the eligible Employees shall not be pledged, hypothecated, mortgaged or otherwise encumbered or alienated in any other manner.

9. Acceptance of Grant:

- 9.1 Any Grantee who wishes to accept the Grant made pursuant to the Scheme, must deliver a signed copy of Grant Letter along with acceptance form to the Committee or any of its authorized representatives on or before the Closing Date.
- 9.2 Any Grantee who fails to return the signed copy of Grant Letter and/or fails to provide his acceptance on or before the Closing Date, unless the Committee determines otherwise, shall be deemed to have rejected the Grant.
- 9.3 The Grantee is not required to pay any amount at the time of acceptance of the grant.
- 9.4 Subject to the terms contained herein, the acceptance in accordance with this article, of a Grant made to a Grantee, shall conclude a contract between the Grantee and the Company, pursuant to which each Option shall, on such acceptance, be an Unvested Option.

10. Vesting of Options:

- 10.1 Vesting Period shall commence from a period of 1 (One) year from the Grant Date and shall extend upto a maximum period of 4 (Four) years from the Grant Date, at the discretion of and in the manner prescribed by the Committee and set out in the Grant Letter.

Provided further that in the event of death or Permanent Disability of a Grantee, the minimum vesting period of one year shall not be applicable and in such instances, the Options shall vest in terms of SEBI (SBEB & SE) Regulations, on the date of the death or permanent disability.

- 10.2** The vesting schedule, % of options to be vested will be clearly defined in the Grant Letter of respective Grantees subject to minimum and maximum Vesting Period as specified in clause 10.1 above and can vary from Grantee to Grantee as per the discretion of the Committee whose decision shall be final and binding,
- 10.3** The actual vesting would be subject to the continued employment of the Grantee and will further be linked with the certain performance and other criteria, as determined by the Committee and mentioned in the Grant Letter.
- 10.4** The Committee shall have the power to modify or accelerate the vesting schedule on a case-to-case basis subject to the minimum gap of 1 (One) Year between the Grant and Vesting.
- 10.5** Further any fraction entitlement, to which the Grantee would become entitled to upon Vesting of Options, then the Options to be actually vested be rounded off to the nearest lower integer. Accordingly, in the last vesting, the number of the Options to be vested shall include the Options which was not earlier vested due to fraction adjustment.
- 10.6** In the event there is any ongoing investigation or proceeding against the Grantee in connection with or relating to a Cause (*as defined above*), then no Options Granted to such Grantee shall either Vest or be eligible to be Exercised until such investigation or proceeding has concluded and a final determination in such matter has been made, unless otherwise determined by the Committee in its sole discretion.
- 10.7** The Vesting of Options shall be communicated to the eligible Grantees in writing through vesting letter.
- 10.8** The Grantee is not required to pay any amount at the time of Vesting of Options.

11. Exercise of Options:

- 11.1** After Vesting, Options can be exercised either wholly or partly, within a maximum exercise period of 2 (Two) years from the date of respective vesting, after submitting the Exercise application along with payment of the Exercise Price, applicable taxes and other charges, if any. The Committee may open a quarterly/monthly Exercise window, during the overall exercise period, as per their own discretion.
- 11.2** Failure to exercise of Options within this time period, shall result in lapsing of Vested Options in the hands of Grantee and shall be added back to the pool.
- 11.3** The mode and manner of the Exercise shall be communicated to the Grantees individually.
- 11.4** Upon valid exercise the Company will allot requisite number of Shares to the Grantee. Shares so allotted shall rank *pari-passu* to the existing Shares of the Company.

- 11.5** Upon such allotment, the Grantee shall become a member of the Company.
- 11.6** Notwithstanding anything contained elsewhere in the Scheme, the Company, may not allot Shares, in the event of the Grantee being found guilty of an offence involving fraud, misfeasance, moral turpitude, misconduct, gross negligence, breach of trust and in such an event(s) the rights under the Options (whether vested or not) shall lapse, forthwith, without any claim on, or recourse to the Company.
- 11.7** If the Vesting or Exercise of Options is prevented by any law or regulation in force and/or the Company is forbidden to allot the Shares pursuant to Exercise of Options under such law or regulation, then in such an event the Company shall not be liable to compensate the Grantee.
- 11.8** The Committee shall have the power to cancel all or any of the Options Granted under the Scheme, if so required, under any law for the time being in force or the order of any jurisdictional court. In the event of any such cancellation, the Company shall not be liable to compensate the Grantee.

12. Exercise Price:

- 12.1** Under this Scheme, the Exercise Price will be decided by the Committee at the time of grant and shall be linked with the Market Price as defined in the Clause 4.1.28 Scheme.
- 12.2** The Committee has the power to provide a suitable discount on such price as arrived above as per Clause 12.1. However, in any case the exercise price shall not go below the face value of Share of the Company.
- 12.3** Further, the Committee has the power to re-price the Grants in future if the Grant made under the Scheme is rendered unattractive due to the fall in the price of Shares, after complying the conditions as mentioned in the SEBI (SBEB & SE) Regulations, ensuring that such repricing is not detrimental to the interest of the employees and approval of the Shareholders by a Special Resolution has been obtained for such repricing.
- 12.4** The aggregate Exercise Price payable at the time of Exercise shall be paid, as per the discretion of the Grantee, by a Cheque, NEFT, deduction from salary (if salary of the month of exercise is not paid and is sufficient for payment of Exercise Price) or by a demand draft in the name of the Company.
- 12.5** The tax amount arising at the time of Exercise shall be payable by Grantee at the time of exercise by a Cheque, NEFT, deduction from salary (if salary of the month of exercise is not paid and is sufficient for payment of Exercise Price) or by a demand draft in the name of the Company.

13. Cessation of Employment:

13.1 If, at any time, a Grantee either: (1) has ceased to be employee of the Company/Subsidiary Company, in India or Outside India; or (2) is under notice (whether given or received) (such Employee, is categorized as a “Leaver”), then:

a) In case of Death (Categorized as Deceased Leaver):

All Options Granted as on date of death, whether Vested or Unvested shall immediately vest as in the hands of legal heirs / nominee of the deceased leaver on that date. The Options would be exercisable by the legal heirs / nominee within a period of 12 (Twelve) months from the date of death, failing which all the Unexercised Options shall lapse irrevocably and the rights there under shall be extinguished and such lapsed options shall be available for further grants as Clause 6.2 of the Scheme.

All other terms and conditions of the Scheme shall apply to such Options. Provided that, in order to Exercise the Options of the deceased leaver, the legal heirs / nominee have to submit the following documents to the Company, to the satisfaction of the Committee and the Committee may at its discretion waive off the requirement to submit any of the documents, wherein nominee is not registered / updated by the deceased Grantee with the depository participant where the Demat account is maintained:

➤ **In case nominee is not appointed**

- Copy of the succession certificate /legal heir certificate/ probate of will / letter of administration.
- No objection certificate from the other legal heirs.
- Photocopy of the death certificate duly attested by the proper authority (English translated version if in the vernacular language)
- Specimen signature of the person(s) in whose name Shares are to be transmitted (duly attested by the bank)
- Demat Account Details
- Copy of PAN card of the applicant (self – attested).
- Copy of address proof (self – attested)
- The Committee may ask for any other data / details as it may deem fit

➤ **In case nominee is appointed (registered / updated by the deceased Grantee with the depository participant wherein the Demat account is maintained and details of such Demat account has been informed to the Company/ Subsidiary Company)**

- Photocopy of the death certificate duly attested by the proper authority (English translated version if in the vernacular language)
- Specimen signature of the person(s) in whose name Shares are to be transmitted (duly attested by the bank)
- Demat Account Details
- Copy of PAN card of the applicant (self – attested).
- Copy of address proof (self – attested)
- The Committee may ask for any other data / details as it may deem fit.

b) In case the leaver is categorised as a Permanent Disability Leaver, then all Options Granted as on date of Permanent Disability, whether Vested or Unvested shall immediately vest in him/her/the legal heirs or nominee on that day as may be decided by such Permanent Disability Leaver. The Options would be exercisable within a period of 12 (Twelve) months from the date of Permanent Disability, failing which all the Unexercised Options shall lapse irrevocably and the rights there under shall be extinguished and such lapsed options shall be available for further grants as Clause 6.2 of the Scheme.

c) In case the leaver is categorised as a Good Leaver (as defined in Clause 4.1.21)

- i. All Unvested Options as on the Cessation Date shall stand cancelled with effect from the Cessation date.
- ii. All Vested Options shall be exercisable by the Grantee who is a Good leaver on or before the Cessation Date or before the expiry of the Exercise Period as per Scheme whichever is earlier.

Provided that in case of the cessation of employment **due to retirement or superannuation**,

- i. All Vested Options shall be exercisable by the Grantee on or before the expiry of the Exercise Period as per Scheme.
- ii. All Unvested Options as on Cessation Date would continue to vest in accordance with the respective vesting schedules even after retirement or superannuation in accordance with the company's policies and the Applicable Law.

d) In case a Leaver is categorised as a Bad Leaver, all Options, whether Vested or Unvested, as on date of cessation shall stand cancelled with immediate effect.

13.2 In the event of **Abandonment of service by the Grantee**, all Options (Vested Options or Unvested Options) at the time of Abandonment of service, shall stand cancelled. The date of Abandonment of service by the Grantee shall be decided by the Committee at its sole

discretion, which decision shall be binding on such Grantee.

- 13.3** In the event of a Grantee going on **Long Leave**, the treatment of Options Granted to him/her, whether vested or not, shall be determined by the Committee, whose decision shall be final & binding.
- 13.4** In the event that a Grantee is transferred pursuant to scheme of arrangement, amalgamation, merger or demerger or continued in the existing Company, prior to the Vesting or Exercise, the treatment of Options in such case shall be specified in such scheme of arrangement, amalgamation, merger or demerger provided that such treatment shall not be prejudicial to the interest of the Grantee.
- 13.5** In the event where a **Dispute arises between Grantee and the Company**, Vesting and/or Exercise of Options will be put on hold till the date of settlement of the dispute, to the satisfaction of the Committee.
- 13.6** The Committee may modify the terms for cessation of employment/ discontinuance of service as mentioned in foregoing paras 13.1 to 13.5.

14 Lock in requirements:

- 14.1** The Shares allotted to the Grantees pursuant to Exercise of Options shall be subject to no lock-in period from the date of allotment. The Grantee is free to sell the shares.

15 Other Terms and conditions:

- 15.1** Nothing herein is intended to or shall give the Grantee, any right to status of any kind as a Shareholder of the Company in respect of any Share covered by the Grant unless the Grantee Exercises the Options and becomes the registered Shareholder of the Company.
- 15.2** The Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to Exercise Options in whole or in part.
- 15.3** The maximum quantum of benefits that will be provided to every eligible Employee under the Scheme will be the difference between the market value of Company's Share on the Recognized Stock Exchanges as on the Date of Exercise of Options and the Exercise Price paid by the Employee.
- 15.4** The Scheme shall not confer on any person any legal or equitable rights (other than those to which he would be entitled as an ordinary member of the Company) upon allotment of Shares pursuant to Exercise of Options against the Company, either directly or indirectly or give rise to any cause of action in law or in equity against the Company.
- 15.5** The Grantee shall abide by the SEBI (Prohibition of Insider Trading) Regulations, 2015

and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 as may be amended from time to time, Company's Code of Conduct for prevention of insider trading and Code of practices and procedures for fair disclosure of unpublished price sensitive information adopted by the Company under SEBI (Prohibition of Insider Trading) Regulations, 2015. Further, the Grantee shall indemnify and keep indemnified the Company in respect of any direct or indirect liability arising as a result or consequence of the violation of above, if applicable.

16 Notices and correspondence:

16.1 Any notice required to be given by a Grantee to the Company or the Committee or any correspondence to be made between a Grantee and the Company or the Committee may be given or made to the Company / Committee at the corporate office or registered office of the Company or at the place as may be notified by the Company / Committee in writing or at the specific designated email id of the Company.

16.2 Any notice, required to be given by the Company or the Committee to a Grantee or any correspondence to be made between the Company or the Committee and a Grantee shall be given or made by the Company or the Committee on behalf of the Company at the address as stated in the official records of the Company or at the official email Id of the Grantee.

17 Nomination of Beneficiary:

17.1 Each Grantee under the Scheme may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit under the Scheme is to be delivered in case of his or her death before he receives all of such benefit. Each such nomination shall revoke all prior nominations by the same Grantee, shall be in a form prescribed by the Company and will be effective only when filed by the Grantee in writing with the Company during the Grantee's lifetime.

17.2 If the Grantee fails to make a nomination, the Shares shall Vest on his/her legal heirs in the event of his/her death.

18 Corporate Action:

18.1 Except as hereinafter provided, any Grant made shall be subject to adjustment, by the Committee, at its discretion, as to the number and price of Options or Shares, as the case may be, in the event of 'Corporate Action' as defined herein.

18.2 If there is a 'Corporate Action which includes right issue, Bonus issue, split/sub-division/consolidation of shares of share capital the Company before the Options Granted under this Scheme are Exercised, the Grantee shall be entitled on Exercise of the Options, to such number of resultant Shares to which he/she would have been entitled as if all of the then outstanding Options Exercised by him/her, had been Exercised before such 'Change

in the Capital Structure' had taken place and the rights under the Options shall stand correspondingly adjusted. In the event of a Corporate Action, the Committee, subject to the provisions of Applicable Laws, shall make fair and reasonable adjustments under the Scheme, as it deems fit, with respect to the number of Options, Exercise Price and make any other necessary amendments to the Scheme for this purpose. The Vesting Period and life of the Options shall be left unaltered as far as possible.

18.3 In case of merger/ de-merger/amalgamation/spin off/ consolidation, the suitable adjustments shall be made as per determined in the relevant scheme of such reconstitution merger/de-merger/ amalgamation / spin-off which is not prejudicial to the interest of the Grantee.

18.4 In the event of severance of employment of a Grantee, as a part of reconstitution / /amalgamation / sell-off or otherwise, the Options Granted and not Exercised before such reconstitution / amalgamation / sell-off, shall be Exercised as per the terms and conditions determined in the relevant scheme of such reconstitution / amalgamation / sell-off not prejudicial to the interest of the Grantee.

19 Disclosure and Accounting Policies:

19.1 The Company shall comply with the requirements of IND – AS 102 and shall use Fair value method and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.

19.2 Compensation cost will be booked in the books of account of the Company over the vesting period.

19.3 The Company shall comply with the disclosure requirements and accounting policies specified in the SEBI (SBEB & SE) Regulations 2021.

20 Taxability on the Grantee:

20.1 The exercisable Options are subject to the applicable provisions of the Income tax Act, 1961. There would be following two points of Taxation on the Grantee:

- **Point 1:** At the time of Exercise, the difference between the Market Price of the Shares as on date of Exercise and the Exercise Price will be added as a perquisite under salary in the month of Exercise, as per **Section 17(2)(vi)** of the Income Tax Act, 1961. The Grantee will be liable to pay the taxes at the individual slab rate in which he falls.

The applicable taxes will be based on the individual's income tax slab, and the tax will be deducted at source (TDS) by the employer under **Section 192** of the Income Tax Act.

Additionally, Rule **3(8)** of the **Income Tax Rules, 1962** provides the method for determining the value of the perquisite in the case of ESOPs.

- **Point 2:** At the time of sale of the Shares of the Company by the Grantee . On selling of the Shares, the concerned Grantee would be liable to Capital Gain Tax under the Income Tax Act, 1961, at the time of sale of the Shares.

Gains from Equity Shares listed on a recognized stock exchange, held for 12 months or less, are classified as **Short-Term Capital Gains** and are subject to the provisions of **Section 111A** of the Income Tax Act, 1961.

Gains from equity shares held for more than 12 months are treated as **Long-Term Capital Gains** and fall under the provisions of **Section 112A** of the Income Tax Act, 1961.

Note: The income tax provisions shall be applicable as per current regulations and norms.

21 Surrender of Options:

- 21.1 Any Grantee to whom the Options are Granted under this Scheme may at any time, surrender his Options to the Company. In such case the Company would not be liable to pay any compensation to the Grantee on account of his surrender of Options. The Options so surrendered will be added back to the pool of the Scheme and pursuant to this the Grantee shall cease to have all rights and obligations over such Options.

22 Dispute/ Arbitration:

- 22.1 In the event of a dispute arising out of or in relation to the provisions of this Scheme (including a dispute relating to the construction or performance thereof), the relevant parties shall attempt in the first instance to resolve such dispute through an amicable settlement. The attempt to bring about an amicable settlement shall be considered to have failed as soon as one of the parties hereto, after reasonable attempts, which attempt shall continue for not more than 30 days, gives 10 days' notice thereof to the other party in writing.
- 22.2 In case of such failure, either party may refer the Dispute to and finally resolved by arbitration under the Arbitration and Conciliation Act, 1996, as amended or re-enacted from time to time. The arbitration panel shall consist of a sole arbitrator to be appointed by mutual consent of the Parties. In case the Parties are unable or fail to appoint a sole arbitrator such arbitrator shall be appointed in accordance with Arbitration and Conciliation Act, 1996. Arbitration awards thus rendered shall be final and binding upon the Parties.
- 22.3 The arbitration proceedings shall be held in Mumbai, India under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof. The arbitrator shall give a reasoned award in writing, whose decision shall be final and binding on the Parties. The arbitrator shall also have the authority to award costs of the arbitration, including legal fees and other costs. The cost of arbitration shall be borne by

the Parties to the Dispute(s). The parties shall submit to the arbitrator's award and the award shall be enforceable in competent court of law at Mumbai, India.

22.4 Notwithstanding the provisions of this Dispute clause, the Parties shall have the right to seek interim or injunctive relief from any court of competent jurisdiction, pending the final decision or award of the arbitrator.

23 Governing Law:

23.1 This Scheme and all related documents there under shall be governed by and construed in accordance with the SEBI (SBEB & SE) Regulations and other Applicable Laws.

23.2 The provisions of the SEBI Regulations and applicable laws shall prevail in the case of any contrary provisions in the Scheme.

24 Regulatory Approvals:

24.1 The implementation of the Scheme, the Granting of any Options under the Scheme and the issuance of any Shares under this Scheme shall be subject to the procurement by the Company and the Grantee / nominee / legal heirs of all approvals and permits, if any, required by any regulatory authorities having jurisdiction over the Scheme. The Grantee / nominee / legal heirs under this Scheme will, if requested by the Committee / Company, provide such assurances and representations to the Company or the Committee, as the Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

24.2 The Board shall make all the relevant disclosures in the Board's Report in relation to the Scheme as are required under the Act, SBEB & SE Regulations and other Applicable Laws

25 Modification of Scheme:

25.1 Subject to the Applicable Laws, the Committee may, at any time:

25.1.1 Revoke, add to, alter, amend or vary all or any of the terms and conditions of the Scheme or all or any of the rights and obligations of the Grantee.

25.1.2 Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the specific Grantee or class or category of Grantees. Each of such sets of special terms and conditions shall be restricted in its application to those specific Grantee or class or category of such Grantees.

25.2 Any amendment, variation or modification under the Scheme shall not be prejudicial to the interest of the Grantees of the Company.

26 Confidentiality:

26.1 Notwithstanding anything contained in this Scheme, the Grantee shall not divulge the details of the Scheme and/or his holdings to any person except with the prior written permission of the Committee unless so required to do under the Applicable Laws or any statutes or regulations applicable to such Grantee.

27 Miscellaneous:

27.1 General Risks: Participation in the Scheme shall not be construed as any guarantee of return on the equity investment. Any loss due to fluctuations in the price of the equity and the risks associated with the investments is that of the Option Grantee alone. The Option Grantee is encouraged to make considered judgment and seek adequate information /clarifications essential for appropriate decision.

27.2 The Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to exercise an Option in whole or in part.

***** **End of the Scheme** *****