Prodocs Solutions Limited

Prodocs Solutions Employee Stock Option Scheme 2026

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NAME OF THE SCHEME

This Scheme shall be termed as Prodocs Solutions Employee Stock Option Scheme 2026 ("**Scheme**"). The Scheme has been approved by the Board of Directors of the Company at its meeting held on May 29, 2026, and thereafter approved by the Shareholders of the Company by way of a special resolution passed through Postal Ballot on July 16, 2026. The Scheme shall be effective from the date of approval by the Shareholders, i.e. July 16, 2026 herein after referred to as the "**Effective Date**".

The Scheme contemplates the grant of Options to the employees of Prodocs Solutions Limited and its group company(ies) including its subsidiary/(ies) or associates (present and future, if any) ("**Group Companies**"). After vesting of Options, the Eligible Employees earn a right, but not the obligation, to exercise the vested Options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon and other terms and conditions of the Scheme. The Nomination and Remuneration Committee of the Board of Directors of the Company, acting as the Compensation Committee, shall implement, administer and monitor the Scheme. The Options to be granted under the Scheme shall not be treated as an offer or invitation made to the public for subscription of securities of the Company.

This document sets out the terms and conditions of the Scheme under which the Options are being granted and Shares are being allotted to the Employees.

1 Purpose of the Scheme

Prodocs Solutions Limited ("**Company**" or "**Prodocs Solutions**"), a Company incorporated under the Companies Act, 2013, and having its registered office at 6/19 1st Floor, Transmission House Compound No. 82 MIDC, Nr M V Road, Andheri East, Mumbai - 400059, Maharashtra, India, has structured this Scheme for its Employees. The purpose of this Scheme is as under:

a) to create a sense of ownership among employees and incentivize long term focus;
b) to motivate and retain the best talent within the organization; and
c) to reward key employees for performance.

The purpose is sought to be achieved through the Grant of Options to the Employees which will provide them a right to acquire Shares of the Company upon satisfying the vesting conditions and in accordance with the Scheme and accompanying Grant Letter.

2 Definitions and Interpretation

2.1 **Definitions**

2.1.1 "Acceptance Form" shall mean the form that the Grantee must submit indicating his acceptance of the terms and conditions of the Scheme and Grant Letter.

2.1.2 "Applicable Laws" means to the extent applicable, any statute, law, bye-law, regulation, enactments, acts of legislature or parliament laws, ordinance, rule, judgment, rule of law, order, decree, clearance, approval, directive, guideline, policy, code, notices, directions, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or regulatory authority including, without limitation, the Companies Act 2013, Companies (Share Capital and Debentures) Rules, 2014, the Income-tax Act, 2025 and all other relevant SEBI laws, including SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, ("**SEBI ICDR Regulations**")

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB Regulations**"), as amended, any regulations issued by the recognized stock exchange on which the Shares of the Company shall be listed or quoted (as maybe applicable), whether in effect as of the date of this Scheme or thereafter and in each case as amended.

2.1.3 "Aggregate Exercise Price" shall mean the Exercise Price and any other sums due to the Company by the Participant as per Clause 10 of the Scheme in respect of Exercise of the Options.

2.1.4 "Bad Leaver" means an Employee who is a Leaver as a result of: (a) dismissal for Event of Default; or (b) voluntary termination of employment or resignation from employment other than as set out in the definition of Good Leaver; or (c) being subsequently recharacterized as a Bad Leaver pursuant to the definition of Good Leaver.

2.1.5 "Beneficiary" or "Nominee" means the person or persons, designated by the Participant, or in the absence of any designation by the Participant, a person or persons who is/ are entitled by the will or probate of the Participant to receive the benefits specified in the Scheme, the legal heirs of the Participant, if the Participant dies intestate and includes the Participant'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.

2.1.6 "Board" means the Board of Directors of the Company and includes any committee(s) consisting of one or more members of the board which the board may constitute to exercise powers of the board.

2.1.7 "Clause" means a clause in this Scheme.

2.1.8 "Closing Date" means the last date on which the offer of Options granted by the Company to a Grantee can be accepted. In case the last date is a non-working day, then it shall be the immediately following working day.

2.1.9 "Company" shall mean Prodocs Solutions Limited, a company incorporated under the Companies Act, 2013 and having its registered office at 6/19 1st Floor, Transmission House Compound No 82 MIDC, Nr M V Road, Andheri East, Mumbai City, Mumbai, Maharashtra, India, 400059.

2.1.10 "Compensation Committee" means the Nomination and Remuneration Committee of the Board of the Company, as constituted in terms of provisions of SEBI LODR Regulations, which has been designated as the 'compensation committee' in terms of the provisions of the SEBI SBEB Regulations for the purpose of administration of the Scheme.

2.1.11 "Corporate Action" shall mean any changes in the capital structure of the Company as a result of further issue, bonus issue, rights issue, split of shares and/ or consolidation of shares, merger, sale of divisions and others under the Applicable Law.

2.1.12 "Director" means a director appointed on the Board of the Company.

2.1.13 "Eligible Employee" for the purpose of this Scheme means an Employee(s) identified as per Clause 3 below.

2.1.14 "Employee" means

(i) an employee as designated by the Company who is exclusively working in India or out of India; or

(ii) any executive director (Whole Time Director, Managing Director, etc) or a non executive director but does not include 1) a Director forming part of Promoter or Promoter Group of the Company or 2) Independent Director of the Company; or

(iii) an employee as defined in sub-Clause (i) and (ii) above of a group company including subsidiary/(ies) or associate of the Company, in India or outside India, or of a holding company 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 or its Group Companies.

2.1.15 "Event of Default" means:

a) act of dishonesty, fraud, material misrepresentation, or engagement in gross misconduct, negligence or gross negligence, committed by an employee; or

b) repetition or continuance of any breach or act of committing breach of an employee's obligations under an employment agreement executed between the employee and the Company or under any applicable policies of the Company; or

c) such misconduct outside work or otherwise falls into such disrepute that in the reasonable opinion of the Board, the employee's continued employment will or would reasonably be expected to bring the Company or its Group Companies into disrepute or materially prejudice interest of the Company; or

d) conviction of, pleading guilty or *nolo contendere* with respect to any criminal offence (barring minor traffic offences not involving a custodial sentence); or

e) an order made by a court of competent jurisdiction disqualifying him/her from acting as an employee of the Company; or

f) misrepresentation with respect to details relating to educational qualifications, prior work experience, prior reputation in relation to his earlier employment and information in relation to any criminal proceedings;

g) any misfeasance or other act or omission which is detrimental to the businesses or reputation of the Company or its Group Companies; or

h) absconding or long leave which are not sanctioned; or

i) habitual influence of drugs or alcohol during the performance of his/her services or, while under the influence of such drugs or alcohol, engages in inappropriate conduct that directly or indirectly causes or would reasonably be expected to cause, material harm to the Company or its Group Companies; or

j) carries on or engages in, directly or indirectly, whether through partnership or as a shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise, any business which competes directly or indirectly with the whole or any part of the business carried on by the Company or any activity related to the business carried on by the Company. For the sake of clarity, the restriction contained in this sub-clause shall not apply to any investment held as a portfolio by the Participant or any activity/ business carried out by the Participant pursuant to his duties as an employee or director of the Company and shall not apply to the Nominee of the Participant.

2.1.16 "Exercise" means making of an application by the Participant to the Company for issue of Shares against Vested Options to him/her in pursuance of the Scheme on payment of Exercise Price.

2.1.17 "Exercise Date" means the date on which the Participant Exercises his right to apply for Shares against the Vested Options and in case of partial Exercise, shall mean each date on which the Participant/ Beneficiary exercises his right to apply for part of his Vested Options.

2.1.18 "Exercise Period" means subject to Clause 11, the period determined by the Compensation Committee, within which a Participant may exercise the Vested Options, in one or more tranches, by applying for Shares against such Vested Options pursuant to the Scheme, provided that such period shall not, in any case, exceed 1 (one) year from the date of vesting of the Options.

2.1.19 "Exercise Price" means the price, if any, payable by the Participant for exercising the Option granted to him in pursuance of the Scheme and mentioned in the Grant Letter.

2.1.20 "General Meeting" means a meeting (including an extraordinary general meeting or resolution through postal ballot) of the Shareholders held in accordance with the Articles of Association of the Company and the Applicable Laws.

2.1.21 "Good Leaver" means an Employee who is a Leaver as a result of: (a) retirement at retirement age under terms of employment; (b) redundancy; (c) resignation from employment in accordance with the terms of employment, where the Board determines that such Employee shall be treated as a Good Leaver or (d) separation other than for Event of Default, as may be determined by the Board, provided that an Employee who is a Good Leaver at his cessation date may be characterized as a Bad Leaver, if (A) the Employee breaches his/her employment contract or Company's policies; or (B) the Employee breaches the terms of any confidentiality or non-compete, non-solicit, non-disparagement provisions of his employment contract or any other agreement between him and the Company or its Group Companies from time to time.

2.1.22 "Grant" means the process by which the Company issues Options to its Employees under the Scheme.

2.1.23 "Grant Date" means the date on which the Compensation Committee approves the Grant.

2.1.24 "Grant Letter" means the letter by which Grant of Options is communicated to the Grantee.

2.1.25 "Grantee" means an Eligible Employee pursuant to Clause 3 below, at the time of Grant of the

Option to be eligible to participate under the Scheme.

2.1.26 "Group" means two or more companies which directly or indirectly, are in position to (i) exercise twenty-six per cent or more of the voting rights in the other company; or (ii) appoint more than fifty per cent of the members of the Board of Directors in the other company; or (iii) control the management or affairs of the Company.

2.1.27 "Independent Director" shall have the same meaning as defined under Applicable Laws.

2.1.28 "Leaver" means an Employee who has ceased to be employed by the Company.

2.1.29 "Long Leave" means a sanctioned leave in excess of 60 days without break.

2.1.30 "Market Price" means the latest available closing price of the Share on the recognized stock exchange on which shares of the Company are listed on the date immediately prior to the Relevant Date. If shares are listed on more than one recognized stock exchange, then the closing price on the recognized stock exchange with higher trading volume shall be considered as the Market Price.

2.1.31 "Option" means the option given to an Employee, which gives him a right but not an obligation, to purchase or subscribe the Shares at a future date, directly or indirectly, at a pre-determined Exercise Price in accordance with the Scheme.

2.1.32 "Participant" means a Grantee who accepts the Grant from the Company to participate in this Scheme pursuant to Clause 7 below.

2.1.33 "Promoter" shall have the same meaning assigned to it under the SEBI ICDR Regulations.

2.1.34 "Promoter Group" shall have the same meaning assigned to it under the SEBI ICDR Regulations.

2.1.35 "Relative" shall have the same meaning as defined under Section 2(77) of the Companies Act, 2013, as amended.

2.1.36 "Relevant Date" means:

i) In the case of Grant, the date of the meeting of the Compensation Committee on which the Grant is made; or

ii) In the case of Exercise, the date on which the notice of Exercise is given to the Company by the Employee.

iii) In the case of determination of Market Price under this scheme, the date as decided by the Compensation Committee. The decision of the Compensation Committee shall be final.

2.1.37 "Scheme" shall mean the Prodocs Solutions Employee Stock Option Scheme 2026 under which the Company grants the Options to the Grantees, and shall include any alterations, amendments, additions, deletions, modifications, addendums or variations thereof from time to time.

2.1.38 "SEBI" means the Securities and Exchange Board of India.

2.1.39 "Share" means an equity shares of the Company, having a face value of ₹ 10/- (Indian Rupees Ten

Only).

2.1.40 "<u>Shareholder</u>" means the registered holder of a Share of the Company.

2.1.41 "<u>Termination Date</u>" means the date of termination of employment of the Participant with the Company or its Group Companies.

2.1.42 "<u>Unvested Option</u>" means an Option, which is not a Vested Option.

2.1.43 "<u>Vesting</u>" means the process by which the Participant becomes entitled to receive the benefit of a Grant made to him under the Scheme.

2.1.44 "<u>Vested Option</u>" means an Option, which has vested in pursuance of Clause 8 below with the Participant and has thereby become exercisable.

2.1.45 "<u>Vesting Date</u>" means the date on and from which the Option Vests with the Participant and has thereby become exercisable under the Scheme.

2.1.46 "<u>Vesting Period</u>" means the period during which the vesting of Option granted to the Participant under the Scheme takes place.

2.2 **Interpretation**

In this Scheme, unless contrary intention appears:

a) Clause reference is reference to the clauses of this Scheme.

b) The headings/ sub-headings/ titles/ subtitles are only for the sake of convenience and shall not be interpreted to restrict or otherwise affect the meaning or import of the clauses, which shall be interpreted solely in light of the contents thereof.

c) Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.

d) Any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in visible form.

e) The term 'including' shall mean 'including without limitation', unless otherwise specified.

f) Reference to any act, rule, statute or notification shall include any statutory modification, substitution, or re-enactment thereof.

g) Unless the context otherwise requires, words denoting the masculine gender shall include the feminine gender and words denoting singularity shall include the plural and vice versa.

3 Eligibility

3.1 The Compensation Committee will decide which of the Employees should be granted Options under the Scheme and accordingly, the Company would offer the Options to the identified Employees to the extent permissible under Applicable Laws.

3.2 In determining the eligibility of an Employee to receive an Option as well as in determining the number of Options to be granted to any Employee, the Compensation Committee shall formulate criteria for Grant of Options based on, but not limited to, one or more of the following:

a) Number of years of service of the Employee;
b) Grade/ level of the Employee or criticality of role/position;
c) Past-track record/present performance or future potential of the Employee;
d) Any other criteria as may be decided by the Board/ Compensation Committee.

3.3 Based on the eligibility criteria as described in Clause 3.2 above, the Board/ Compensation Committee will decide the Employees eligible for Grant of Options under the Scheme and accordingly, the Compensation Committee would offer the Options to the identified Employees under the Scheme.

4 Administration of this Scheme

4.1 This Scheme shall be administered by the Compensation Committee working under the powers delegated by the Board, and in accordance with the Applicable Laws. The Compensation Committee is authorized to interpret the Scheme, to establish, amend and rescind any rules and regulations relating to the Scheme, and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Scheme. The Compensation Committee in accordance with the Scheme shall, subject to Applicable Laws, *inter alia*, have powers to do the following:

i. To finalize the eligibility criteria for Grant of Options.

ii. To determine the Employees eligible for Grant of Options.

iii. To determine the no. of Options to be granted to the identified Eligible Employee.

iv. To decrease the quantum/pool of Options to be granted under Scheme.

v. To decrease the quantum/pool of Shares to be issued under Scheme.

vi. To identify the Employees eligible to participate under the Scheme.

vii. To decide upon Granting of Options to new joinees.

viii. To decide upon the kind of benefits to be Granted under the Scheme.

ix. To determine the Grant date.

x. To Grant Options to one or more Eligible Employees.

xi. To determine the number of Options to be granted to each Grantee and in aggregate subject to the pool of Options of the Scheme.

xii. To determine the conditions under which the Options may vest in the Employees and may lapse in case of termination of employment for misconduct.

xiii. To decide the Exercise Period within which Employees can Exercise the Option.

xiv. To decide the specified time period within which Employees can Exercise the Vested Options in the event of termination or resignation.

xv. To determine the Grant, Vesting and Exercssise of Options for Employees on long leave.

xvi. To extend the period of acceptance of Grant.

xvii. To decide upon re-granting of Options which were lapsed, forfeited or surrendered under any provisions of the Scheme.

xviii. To decide the Vesting Period subject to minimum and maximum period of Vesting as stated in Scheme.

xix. To determine the Vesting schedule for each Grantee.

xx. To finalize the eligibility criteria for Vesting of Options.

xxi. To determine the Employees eligible for Vesting of Options.

xxii. To determine the method for exercising the Vested Options.

xxiii. To determine the procedure for funding the Exercise of Options.

xxiv. To determine the right of an Employee to Exercise all Vested Options at one time or at various points in time within the Exercise Period.

xxv. To determine the Exercise Price of the Options to be Granted after giving due discount or charging such premium, if deems fit.

xxvi. To allot Shares to Grantees upon Exercise.

xxvii. To decide upon treatment of Vested and Unvested Options in cases of cessation of employment as specified in the Scheme.

xxviii. To decide upon the treatment of Vested and Unvested Options in the event of Corporate Actions taking into consideration the following:

a) 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;

b) 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.

xxix. To cancel all or any Granted Options in accordance with the Scheme.

xxx. To appoint such agents as it shall deem necessary for the proper administration of the

Scheme.

xxxi. To determine or impose other conditions for the Grant of Options under the Scheme, as it may deem appropriate.

xxxii. 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.

xxxiii. 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 including the permissible sources of financing for buy-back, any minimum financial thresholds to be maintained by the Company as per its last financial statements and the limits upon quantum of specified securities that the Company may buy-back in a financial year. For the purpose of this clause specified securities shall have the meaning ascribed to it under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

xxxiv. To determine the terms and conditions, not inconsistent with the terms of the Scheme, of any Option Granted hereunder.

xxxv. To approve forms or agreements for use under the Scheme.

xxxvi. To decide all other matters that must be determined in connection with an Option under the Scheme.

xxxvii. To frame terms & conditions, prescribe forms, notices and issue circulars or orders in relation to the Scheme and may from time to time amend, recall or replace such terms & conditions, forms, notices, orders and circulars.

4.2 The Compensation Committee may correct any defect, omission or reconcile any inconsistency in the Scheme in the manner and to the extent it deems necessary or desirable and to resolve any difficulty in relation to implementation of the Scheme and take any action which they are entitled to take. The acts of a majority of the members of the Compensation Committee present at any meeting (at which the quorum is present) or acts approved in writing by a majority of the entire Compensation Committee shall be the acts of the Compensation Committee for the purpose of the Scheme. No member of the Compensation Committee may act upon matters under the Scheme specifically relating to such member.

4.3 Any decision of the Compensation Committee in the interpretation and administration of this Scheme, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Employee, Grantee, Participant, Nominee and their beneficiaries and successors). The Company/ the Board/ the Compensation Committee shall not be liable for any action or determination made in good faith with respect to the Scheme or any Option granted there under.

5 Option Pool

5.1 Subject to Clause 17 of the Scheme, the maximum number of Shares that may be issued pursuant to Exercise of Options granted to the Participants under this Scheme shall not exceed 3,50,000 (Three Lakhs and Fifty Thousand) Options consisting of 4.96% of the paid-up capital of the Company as on March 31, 2026 on fully diluted basis.

5.2 The maximum number of Options that may be granted per Eligible Employee under the Scheme, in any financial year and in aggregate, shall not exceed 1.00% of the issued capital of the Company at the time of Grant of Options.

5.3 The maximum quantum of benefits to be granted to an Eligible Employee under the Scheme, will be the difference between Market Price of the underlying Equity Shares as on the Relevant Date and Exercise Price paid by the Grantee, subject to applicable taxes.

5.4 The Company reserves the right to increase or reduce such number of Options and resultant shares as it deems fit, subject to appropriate approvals under Applicable Laws.

5.5 Notwithstanding the foregoing provisions of Clause 5.1 and Clause 6 below, Shares with respect to which an Option is granted under the Scheme that remain unexercised at the expiration, forfeiture or other termination, such Option may be the subject of the Grant of further Options.

5.6 Notwithstanding the foregoing provisions of Clause 5.1, all Options that have lapsed (including those having lapsed by way of forfeiture) shall be added back to the number of Options that are pending to be granted. The Company may Grant such Options within the overall limit determined in accordance with the Scheme.

6 Grant of Options

6.1 The Compensation Committee may offer the Options to a Grantee in accordance with the terms and conditions of the Scheme for the time being in force. The Compensation Committee will decide the number of Options to be granted to each Eligible Employee.

6.2 The approval of shareholders in a General Meeting by way of separate resolution shall be obtained by the Company in case of:

a) Grant of Options to identified Employees, during any one year, equal to or exceeding 1.00%, or such other threshold as may be specified under the Applicable Laws, of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option; and

b) Grant of Options to identified Employees of the Group Companies.

6.3 Subject to the overall limit prescribed in Clause 5.1 above, the Options may be granted in one or more tranches.

6.4 Each Option will entitle the Participant to one Share of the Company, which upon conversion to a Share shall rank pari-passu with other Shares of the Company.

6.5 The Grant of the Options by the Compensation Committee to the Grantee shall be made in writing and communicated to the Grantee by a Grant Letter. Such a Grant shall state the number of Options Granted, vesting conditions, the Exercise Price and the Closing Date of accepting the Grant as per the Scheme.

6.6 The Closing Date of accepting the offer shall be 30 days from the date of Grant or as specified in the Grant Letter.

6.7 An offer made under Clause 6.1 above is personal to the Grantee and cannot be transferred in any manner whatsoever.

7 Method of Acceptance

7.1 The method of acceptance of the Grant made pursuant to Clause 6 above shall be determined in accordance with the Scheme.

7.2 Upon receipt of a duly completed Acceptance Form, as prescribed by the Board/ Compensation Committee, from the Grantee in respect of the Grant, the Grantee will become a Participant. The Board/ Compensation Committee may then issue to the Participant a statement, in such form as it deems appropriate, showing the number of Options to which the Participant is entitled pursuant to the acceptance of such Grant and the number of Shares for which the Participant will be entitled to subscribe pursuant to such Grant.

7.3 Subject to the terms contained herein, the acceptance in accordance with this Clause 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.

7.4 Any Grantee who fails to return the Acceptance Form on or before the Closing date shall, unless the Compensation Committee / Board / Company determines otherwise, be deemed to have rejected the Grant. Any Acceptance Form received after the Closing date shall not be valid.

8 Vesting of Options

8.1 There shall be a minimum vesting period of 1 (one) year and a maximum vesting period of 5 (five) years from the date of grant of the Options.

8.2 Upon Vesting, the Vested Options shall be exercisable in accordance with the terms and conditions set forth under the Scheme.

8.3 Notwithstanding anything mentioned in the Scheme and subject to Clause 11.1 and 11.2 below, Options which are not Vested in accordance with the terms of 8.4 below or in accordance with the Scheme shall automatically lapse and the contract referred to in Clause 7.3 above shall automatically be terminated without surviving rights / liabilities for any party.

8.4 Subject to the Applicable Laws, and unless the Compensation Committee decides otherwise, no Options shall vest in a Participant, if such Participant is a Bad Leaver. Decision of the Compensation Committee in this regard shall be final and conclusive and cannot be called in question by the Participant.

8.5 Neither the Participant nor any person entitled to exercise Participant's rights in the event of death of the Participant shall be entitled to claim or receive any dividend and right to vote, or in any manner enjoy the benefits as a shareholder of the Company in respect of the Options granted/ vested, till such time as the Shares are allotted pursuant to a valid Exercise of the Options in favor of such Participant or such person.

8.6 In the event that a Participant is transferred or deputed to a Group company prior to Vesting or Exercise, the Vesting and Exercise as per the terms of Grant Letter shall continue in case of such transferred or deputed Participant even after the transfer or deputation.

8.7 In case where Options are Granted by the Company in lieu of options held by an Employee under an employee stock option scheme in another company which has merged, demerged, arranged or amalgamated with the Company or its Group Companies, the period during which the options granted by the transferor company were held by such employee shall be adjusted against the minimum Vesting Period.

9 Exercise Price

9.1 As may be determined by the Compensation Committee, which shall not be less than the face value of the equity shares and not more than the closing market price as on the previous day of the date of Grant, or such other mode as the Compensation Committee may deem fit. Once granted, the Exercise Price of the Options may be varied by the Compensation Committee in the event of any capital restructuring of the Company, including but not limited to a bonus issue, stock split, stock consolidation, subdivision of shares or reduction of capital

10 Exercise of Options / Allotment of Shares

10.1 The Participant can Exercise the Vested Options within the Exercise Period. The Exercise shall be according to the terms and conditions as determined and set forth under the Scheme and the Grant Letter. Such Exercise may be of all Vested Options or part of the Vested Options, subject to Clause 10.3 and 10.4 below. The Vested Options can be Exercised either in full or in part, subject to such conditions as the Compensation Committee may prescribe from time to time. In the event the Vested Options are Exercised in part, each tranche of Exercise shall comprise not less than 25% (twenty-five per cent) of the total Vested Options available for Exercise as on the date of such Exercise, provided that, this requirement shall not apply to the final tranche of Exercise, where the balance Vested Options available for Exercise are less than 25% (twenty-five per cent) of such Vested Options.

10.2 No Vested Option shall be exercisable in its fractional form.
Provided that, in the event of Exercise of Options resulting in fractional Shares, the Compensation Committee shall be entitled to round off the number of Shares to be issued to the nearest whole number, and the Exercise Price shall be accordingly adjusted. All Shares issued and allotted consequent to Exercise of Options shall rank pari passu with the then existing Equity Shares.

10.3 Exercise of the Vested Options shall take place at the time and place designated by the Compensation Committee and by executing such documents as may be required under the Applicable Laws or by the Compensation Committee to pass a valid title of the relevant Shares to the Participant/ Nominee, free and clear of any liens, encumbrances and transfer restrictions save for those set out therein.

10.4 A Vested Option shall be deemed to be validly Exercised only when the Compensation Committee or any other person ratified by the Compensation Committee receives written and signed notice of Exercise ('Exercise form') from the Participant/ Beneficiary and a confirmation that the Aggregate Exercise Price (in accordance with the Scheme) as per Clause 10.5 has been received from the Participant/ Beneficiary, if applicable.

10.5 The Aggregate Exercise Price shall be paid in full to the Company adjusted upon the Exercise of the Vested Options. Payment must be made by one of the following methods:

i) cheque or demand draft issued in the name of the Company as the Compensation Committee may specify; or

ii) remittance directly from the Participant's bank to the bank account of the Company (wire transfer) as the Compensation Committee may specify; or

iii) recovery from the immediately succeeding salary payment of the Employee; or

iv) any combination of such methods of payment or any other method acceptable to the Board/ Compensation Committee at its sole discretion; or

v) any other mode to be prescribed by the Board/ Compensation Committee.

10.6 The Compensation Committee shall endeavor to ensure that the process of allotment of Shares to the Participant who has validly Exercised his Vested Options is completed within 6 (six) months from the time of receiving the Exercise form by the Compensation Committee.

10.7 Upon completion of a valid Exercise of Options as laid out above and upon receiving confirmation/ direction from the Compensation Committee, the Company shall allot the Shares to the Participant/ Beneficiary/ Nominee.

10.8 At the time of allotment of Shares, pursuant to a valid Exercise, the Participant/ Nominee will be required to sign such papers as may be considered necessary by the Compensation Committee to lawfully execute/ enforce various provisions of the Scheme, including Clause 16 of this Scheme.

10.9 Only upon allotment of the Shares, the Participants/ Nominees shall become Shareholders. Subject to Clause 13 below, the Shares to be allotted shall rank *pari-passu* in all respects with the outstanding Shares of the Company.

10.10 Notwithstanding anything else contained in the Scheme, if the Participant/ Nominee does not Exercise his Vested Options within the time specified in Clause 10.1 and Clause 11 below, the Options (and amount paid by the Participant at the time of the Grant, if any) shall be forfeited and cancelled by the Company at the end of the aforesaid period and the contract referred to in Clause 7.3 shall stand automatically terminated without any liability to the Company.

11 Treatment of the Options upon Termination of Employment and other specified events

11.1 Death of a Participant

In the event of death of a Participant while in employment, all the Options granted to him till the date of death and lying Unvested, shall Vest in the Beneficiary of the deceased Participant immediately on the date of death. The Beneficiary shall have a right to Exercise all the Options (including those which Vest upon death of the Participant) within 365 days from the date of death of the Participant or 365 days from the expiry of the Exercise Period, whichever is earlier, failing which the Options shall lapse. All such matters shall be governed by the Company's policy on death and permanent disability of Participants, as may be framed and amended from time to time.

11.2 Permanent disability of a Participant

In case the Employee suffers a permanent incapacity while in employment, all the Options granted to him till such date of permanent incapacitation and lying Unvested, shall Vest in him on that day. The Participant shall have a right to Exercise all the Options (including those which Vest upon the disability of the Participant) within 365 days from the date of disability or 365 days from the expiry of the Exercise Period, whichever is earlier, failing which the Options shall lapse. All such matters shall be governed by the Company's policy on death and permanent disability of Participants, as may be framed and amended from time to time.

11.3 Termination as a Good Leaver

In case the Participant is a Good Leaver, all the Unvested Options with the Participant on the Termination Date shall lapse and the contract referred to in Clause 7.3 above shall stand automatically terminated without any surviving right/ liability for any party. The Participant shall have a right to Exercise the Vested Options within 90 days from the Termination Date (last working date) or expiry of Exercise Period, whichever is earlier, failing which the Options shall lapse.

11.4 On occurrence of an Event of Default by a Participant

In case of an occurrence of an Event of Default by a Participant, his/ her Options, comprising of (i) Vested Options which have not been Exercised, or which have been Exercised but in respect of which equity shares of the Company have not yet been allotted; and ii) Unvested Options, shall stand automatically forfeited on the date on which such Event of Default has occurred and the contract referred to in Clause 7.3 above shall stand automatically terminated without any liability to the Company. The date on which such Event of Default has occurred shall be determined by the Board/ Compensation Committee, and its decision on this issue shall be final. The Board/ Compensation Committee shall however have the right to waive the forfeiture of Vested Options either wholly or partly as per their sole discretion.

11.5 Termination as a Bad Leaver

In case the Participant is a Bad Leaver, all Options comprising of (i) Vested Options which have not been Exercised, or which have been Exercised but in respect of which equity shares of the Company have not yet been allotted; and ii) Unvested Options, shall automatically be forfeited on the Termination Date and the contract referred to in Clause 7.3 above shall stand automatically terminated without any liability to the Company.

11.6 Long Leave

Notwithstanding anything contained in the Scheme, for Participants on any long leave, the vesting conditions as specified in the Grant Letter shall prevail unless deferred for the period of such long leave as per the discretion of the Compensation Committee.

12 Notices and correspondence

12.1 Any notice of communication required to be given by a Participant/ Nominee to the Company/ Board/ Compensation Committee or any correspondence to be made between a Participant/ Nominee and the Company/ Board/ Compensation Committee may be given or made to the Company/ Board/ Compensation Committee at the registered office of the Company or at a place as may be notified by the Company/ Compensation Committee/Board in writing.

12.2 Any notice of communication, required to be given by the Company/ Compensation Committee/ Board to a Participant/ Nominee or any correspondence to be made between the Company/ Compensation Committee/ Board and a Participant/ Nominee shall be given or made by the Company/ Compensation Committee/ Board on behalf of the Company and/or Board at the address provided by the Participant in his Acceptance Form or Nomination form, or delivering the communication(s) to the Grantee in person with acknowledgement of receipt thereof or by emailing the communication(s) to the Grantee at the official email address provided, if any, by the Company during the continuance of employment of the Grantee or at the email address provided by the Grantee after cessation of employment.

13 Lock-in

13.1 The Shares allotted pursuant to the Exercise of the Vested Options under Clause 10 above shall not be subject to any lock-in period, unless otherwise required under the Applicable Laws.

14 Beneficiary designation

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

15 Non-transferability of Options

15.1 Save as provided in Clause 11.1 above, the Options granted herein, are personal to the Participant. The Options cannot be assigned, alienated, pledged, attached, hypothecated, mortgaged, sold or otherwise transferred or encumbered by the Participant/ Nominee/ Beneficiary otherwise than by will or by the laws of descent, to the extent permitted under the Applicable Law, and any purported assignment, alienation, pledge, attachment, sale, transfer, or encumbrance not permitted herein shall be void and unenforceable against the Company.

16 Transferability of Shares

16.1 Subject to Clause 13 and Clause 24.7 below, any Participant (Employee/ former employee/ Beneficiary), who wishes to sell the Shares acquired pursuant to Exercise of Grants, can sell the Shares freely over the recognized stock exchange in India where such Shares are listed.

16.2 However, Employees are required to always adhere to Applicable Law, Company Policies/ Term of Employment while dealing in the Equity Shares or exercising any rights there under. In particular, each Employee shall ensure that there is no violation of the provisions of (a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (b) Company's Code of Conduct and Insider Trading Code or (c) other applicable restrictions for prevention of fraudulent and/or unfair trade practices relating to the securities market.

17 Reorganization of Capital Structure and other Corporate Actions

17.1 In the event the Company is involved (i) in a scheme for merger, reconstitution, consolidation, dissolution, liquidation or reorganization, exchange of Shares, share swaps, sale of all or substantially all of the assets of the Company; (ii) any stock dividend, stock split, reverse stock split, stock combination, rights issue, bonus issues or other changes in the capital structure of the Company; or (iii) any other event which in the judgment of the Compensation Committee necessitates action of making a fair and reasonable adjustment to the number of Options and/or to the Exercise Price, such adjustment shall be made in a manner that the total value of the Options remains the same after the Corporate Action. In all such Corporate Actions, the Compensation Committee shall ensure while taking into consideration the global best practices in this area including the procedures followed by the derivative markets in India and abroad, that the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Participants. The decision of the Compensation Committee on whether such action is necessary and the extent of such action by the Compensation Committee shall be final and binding. If a change of Control shall occur, the Compensation Committee may make such adjustments at its discretion as are necessary or appropriate in light of the change of Control (including, without limitation, the substitution of stock other than stock of the Company as the stock optioned hereunder, and the acceleration of the exercisability of the Options), provided that the Compensation Committee determines that such adjustments do not have a substantial adverse economic impact on the Participant as determined at the time of the adjustments.

18 Withholding Tax or any other Sums

18.1 All Options granted under this Scheme shall be subject to all applicable taxes, withholding tax and/ or any levy and/ or any contribution and/ or any sums due (by whatever name it is called) arising due to participation in the Scheme (in or outside India), if any, and the Company or Compensation Committee/ Board, accordingly, may withhold such taxes and/ or levy and/ or contribution and/ or payment in full unless Compensation Committee decides to withhold in part.

18.2 Notwithstanding anything contained in any other Clauses of the Scheme, if, on the Grant of the Option and/ or the Vesting of Option and/ or the Exercise of the Options and/ or allotment of the Shares and or at anytime while this Scheme is in operation shall be subject to any levy and/ or taxes or contribution or payment (by whatever name called), if any, that is levied on or payable by the Board/ Company/ Employing entity (in or outside India), such taxes and/ or levy and/ or contribution and/ or payment shall be recovered in full, unless the Board/ Compensation Committee at its sole discretion decides to recover in part from the Participant.

18.3 Notwithstanding anything else contained in this Scheme, no Shares/ sale proceeds therefrom, as the case may be, shall be issued/ allotted/ transferred/ disbursed to the Participant/ Nominee, on Exercise of the Options under the Scheme, unless appropriate levies/ taxes/ contributions/ payments as given in this Clause or as prescribed under Applicable Laws are recovered in full, unless the Compensation Committee at its sole discretion decides to recover only a part of the same from the Participant or Beneficiary.

19 Arbitration

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 disputes 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 a reasonable attempt, which attempt shall continue for not more than 30 days, sends a 30 day notice thereof to the other party in writing. In case of such failure, either party may refer the dispute to a single arbitrator appointed by both the parties and failing such agreement, to three arbitrators, one to be appointed by each party and the third arbitrator to be jointly appointed by the two arbitrators appointed by the parties. The arbitration proceedings shall be held at Mumbai, India under and in accordance with the Arbitration and Conciliation Act, 1996, and any statutory modification or re-enactment thereof for the time being in force. The arbitrator(s) shall give a reasoned award in writing. The arbitrator(s) shall also decide on the costs of the arbitration proceedings. The parties shall submit to the arbitrator's award and the award shall be enforceable in competent court of law in India.

20 Tenure

20.1 This Scheme shall continue in effect unless terminated by the Company / the Board / Compensation Committee.

20.2 Any such termination of this Scheme shall not affect Options/ Shares already granted and such Options/ Shares shall remain in full force and effect as if the Scheme had not been terminated unless mutually agreed otherwise between the Participant/ Beneficiary and the Compensation Committee/ Board/ the Company.

21 Governing Law

21.1 This Scheme and all agreements thereunder shall be governed by and construed in accordance with the Applicable Laws of India.

21.2 The Options are subject to the Scheme. Any term of the Scheme that is contrary to the requirement of any Applicable Law, including but not limited to the Companies Act, 2013, Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder shall not apply to the extent it is contrary.

21.3 In the event that any term, condition or provision of the Scheme being held to be a violation of any Applicable Law, statute or regulation the same shall be severable from the rest of the Scheme and shall be of no force and effect and the Scheme shall remain in full force and effect as if such term, condition or provision had not originally been contained in the Scheme.

21.4 In order to comply with regulation of any other country or to avail any tax or other benefits, Compensation Committee or Board may at its sole discretion formulate an addendum to this Scheme for Employees employed in that country and made applicable to such Employees from the date determined by the Compensation Committee/ Board. Provided that such addendum shall not amount to variation of the scheme and shall not be prejudicial to the interests of the employees.

22 Regulatory approvals

22.1 The implementation of the Scheme, the Grant of any Option under the Scheme and the issuance of any Shares under the Scheme shall be subject to the procurement by the Company and/or the Participant/ Beneficiary of all approvals and permits required by any regulatory authorities having jurisdiction over the Scheme, the Options and the Shares issued pursuant thereto. The Participant/ Beneficiary under this Scheme will, if requested by the Board/ Compensation Committee, provide such assurances and representations to the Company or the Board/ Compensation Committee, as the Board/ Compensation Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

22.2 The Board/Company shall make all the relevant disclosures in the Director's Report relation to the Scheme as are required under the Applicable Laws.

22.3 The Board/Company shall follow and confirm to applicable accounting policies issued by the Institute of Chartered Accountants of India from time to time and/or accounting policies as per the Applicable Laws.

23 Modification of Scheme

The Board/ Compensation Committee may, subject to obtaining necessary approvals, including shareholders' approval:

23.1 Revoke, add to, alter, amend or vary all or any of the terms and conditions of the Scheme, all or any of the rights and obligations of the Grantee/ Participant/ Beneficiary;

23.2 Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Grantee/ Participant/ Beneficiary. Each of such sets of special terms and conditions shall be restricted in its application to those Grantee/ Participant/ Beneficiary;

23.3 Formulate separate sets of special terms and conditions in addition to those set out herein, to apply to each class or category of Grantee/ Participant/ Beneficiary separately and each of such sets of special terms and conditions shall be restricted in its applications to such Grantee/ Participant/ Beneficiary; and

23.4 Alter the Exercise Price, if the Option becomes unattractive.

Provided that no variation, alteration, addition or amendment to the Scheme under the Scheme can be made if it is detrimental to the interests of the Grantee/ Participant/ Beneficiary and the approval of the shareholders in General Meeting has been obtained unless the terms are varied to meet any regulatory requirements.

23.5 Subject to Clause 23.4, the Company may by special resolution in a General Meeting vary the terms of the Schemes offered pursuant to an earlier resolution of the general body but not yet Exercised by the Employee provided such variation is not prejudicial to the interests of the Employees.

24 Miscellaneous provisions

24.1 <u>No right to a Grant:</u> Neither the adoption of the Scheme, nor any action of the Board / Compensation Committee shall be deemed to give an Employee any right to be granted an Option to acquire Shares or to any other rights hereunder except as may be evidenced by a Grant Letter, and then only to the extent of and on the terms and conditions expressly set forth therein, or in the Scheme as the case may be.

24.2 <u>No employment rights conferred:</u> Nothing contained in the Scheme or in any Grant made hereunder shall (i) confer upon any Employee any right with respect to continuation of employment with the Group, or (ii) interfere in any way with the right of the Group to terminate his employment at any time.

24.3 <u>Adherence to Applicable Laws:</u> The Participant shall comply with all Applicable Laws.

24.4 <u>Transfer or Deputation:</u> In the event that a Participant who has been granted Options under this Scheme is transferred or deputed to any other Company in the Group prior to Vesting or Exercise, the Vesting and/or Exercise as per the terms of Grant shall continue in case of such transferred or deputed Participant even after the transfer or deputation.

24.5 This Scheme shall not confer on any person any legal or equitable rights against the Company or the Board/ Compensation Committee directly or indirectly or give rise to any cause of action at law or in equity against the Company or the Board/ Compensation Committee.

24.6 The Company shall bear the costs of establishing and administering this Scheme, including any costs of the Company's auditors or any independent financial adviser in relation to the preparation of any confirmation by them or provision of any other service in relation to this Scheme.

24.7 The Participant shall comply with the provisions of the Applicable Laws as well as any code of conduct or such similar policy procedure or system formulated or adopted by the Board/ Compensation Committee and communicated to the Participant from time to time. Any violation of the Applicable Laws or code of conduct may result in cancellation of all Vested and Unvested Options as well as subject the Participant to disciplinary action at the discretion of the Company.

24.8 The acceptance of the Grant is entirely voluntary and the Company or the Board/ Compensation Committee does not guarantee any return on Shares or Options.

24.9 This Scheme constitutes the entire document in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter.

24.10 Until the date of listing of Shares of the Company on any recognized stock exchange, all actions, administrative powers (refer clause 4.1) and obligations contemplated under the scheme that is to be undertaken solely by the Compensation Committee, may also be undertaken by the Board.

24.11 The Participant agrees and acknowledges that the Participant has received and read a copy of the Scheme.

25 Set-off

25.1 It is the Compensation Committee's obligation to convey to the Participant/ Nominee/ Beneficiary that the Shares shall be subject to set-off or counterclaim of amounts owed by the Participant/ Nominee/ Beneficiary to the Company, to the extent permitted under Applicable Laws.

26 Severability

26.1 If any of the provisions mentioned in this Scheme are determined to be invalid, illegal or unenforceable, the remaining provisions shall remain in effect and binding on the parties to the fullest extent permitted by Applicable Laws.

27 Confidentiality

27.1 Notwithstanding anything contained in this Scheme, the Grantee/ Participant/ Nominee/ Beneficiary shall not divulge the details of the Scheme and/ or his holdings to any person except with the prior written permission of the Company/ Board/ Compensation Committee unless so required to do under the Applicable Laws or any statutes or regulations applicable to such Grantee/ Participant/ Nominee/ Beneficiary. In case of failure to comply with this Clause by the Grantee/ Participant/ Nominee/ Beneficiary, the Grant or the contract referred to in Clause 7.3 above, as the case may be, shall, unless the Company/ Board/ Compensation Committee decides otherwise, stand automatically terminated without any surviving right/ liability for any party.

27.2 On acceptance of the grant of Option offered by the Company, it shall be deemed that as if the Grantee has authorized the Company to disclose information relating to the Grantee during the process of implementation of the Scheme or while availing any consulting or advisory services thereof or any other incidental services to its officers, professional advisors, agents and consultants on a need to know basis.

28 Representation

28.1 The Company does not make any representation regarding the performance of the Company or the future value of Equity Shares. Each Employee should take the decision to Exercise the Options Granted to him/her after considering all the provisions of this Scheme and other relevant factors.