
ORIENT CEMENT LTD

EMPLOYEE STOCK OPTION SCHEME, 2015

Orient Cement Limited

Corporate Office: Birla Tower, 3rd fl, 25 Barakhamba Road, New Delhi 110001, India. 011 42092100

Registered Office: Unit VIII, Plot No.7, Bhoinagar, Bhubaneswar, Odisha 751012, India www.orientcement.com

Orient Cement Ltd
Employee Stock Option Scheme - 2015
Effective from 25th July, 2015

This Employee Stock Option Scheme (“**Plan**”) has been formulated by the Board of Orient Cement Ltd (“**Company**”) and approved by it at its meeting held on May 8, 2015, subject to the authority vested in it by, and approval of, the shareholders at the General Meeting of the Company held on July 25, 2015.

1 SHORT TITLE, APPLICABILITY AND TERM

- 1.1 This Plan may be called the “Orient Cement Employees Stock Option Scheme 2015” (“**Orient Cement Ltd. ESOS**”) which expression shall include any alterations, amendments or modifications hereto from time to time.
- 1.2 This Plan shall be effective from the date when the shareholders’ approval is obtained and adopted (“**Effective Date**”).
- 1.3 The Plan shall be terminated and no Grants shall be made under the Plan after Closing Date. Any Stock Options which are not granted by the Closing Date, shall automatically lapse.
- 1.4 It applies only to Eligible Employees as defined herein.
- 1.5 The Company may by special resolution vary the terms of Orient Cement ESOS in compliance with Applicable Laws.

2 OBJECTIVES

Orient Cement ESOS is being offered to the Eligible Employees with the objective of achieving sustained growth of the Company and creation of shareholder value by aligning the interests of the Eligible Employees with the long term interests of the Company.

3 DEFINITIONS AND INTERPRETATIONS

- 3.1 In this Orient Cement ESOS, the following expressions including their grammatical variations or cognate expressions shall, where the context so admits, have the following meaning:
 - 3.1.1 **Applicable Laws** means laws and regulations of India to the extent applicable to the Company and to this Orient Cement ESOS as amended and modified from time to time. Accordingly, any actions taken hereunder shall be governed by and construed in accordance with the laws of India, without regard to the application of the ‘conflicts of laws’ provisions thereof.
 - 3.1.2 **Associate Company** means a company as defined under Section 2(6) of the Act.
 - 3.1.3 **Award Agreement / Agreement** means a written agreement entered into between the Company and a Participant with respect to Grant to such Participant and on such terms and conditions as stipulated in this Plan and as may be suggested/ recommended by the Remuneration Committee from time to time.
 - 3.1.4 **Board / Board of Directors** means the Board of Directors of the Company for the time being and re-constituted and/or re-structured from time to time during the existence of this Plan and includes any committee constituted by the Board of Directors.

- 3.1.5 **Change in Capital Structure** means a change in the capital structure of the Company as a result of reclassification of Shares, splitting up of the face value of Shares, sub-division of Shares, conversion of Shares into other Shares or securities, and any other change in the rights or obligations in respect of Shares.
- 3.1.6 **Change in Control Value** means the value at which the Shares of the Company are transferred in the case of a Strategic Sale.
- 3.1.7 **Closing Date** shall mean 10 (Ten) years from the Effective Date or when all the Shares allocated for the Plan are exhausted, whichever is earlier.
- 3.1.8 **Ordinary Shares** means the Shares of the Company and includes any securities convertible into Shares.
- 3.1.9 **Company** means "**Orient Cement Limited**", incorporated in India, having its registered office at Unit-VIII, Plot No. 7 Bhoinagar, Bhubaneswar-751012 its successors and assigns.
- 3.1.10 **'Corporate Action'** means one of the following actions:
- (a) Issue of Bonus or Rights Shares
 - (b) The merger, de-merger, spin-off, consolidation, amalgamation, sale of business (except to a subsidiary) or other reorganization of the Company in which all the Shares are converted into or exchanged for:
 - (i) a different class of securities of the Company; or
 - (ii) any securities of any other issuer; or
 - (iii) Cash; or
 - (iv) Other property
 - (c) The sale, lease or exchange of all or substantially whole of the assets/undertaking of the Company to any other Company or entity (except to a subsidiary)
 - (d) The adoption by the shareholders of the Company of a scheme of liquidation, dissolution or winding up.
- 3.1.11 **Director(s)** means a member of the Board of the Company.
- 3.1.12 **Disability** shall mean "Disability" as defined in any applicable agreement between the Participant and the Company or if there is no such agreement or Disability is not defined therein, then a Participant's becoming physically or mentally incapacitated so that he/she is therefore reasonably expected to be unable to perform his duties to the Company.

- 3.1.13 **Eligible Employee** mean a permanent Employee on the rolls of the Company as on April 1, 2015 or who joins the Company after April 1, 2015 during the validity of the Plan, whether whole time or not and is selected by the Nomination & Remuneration cum Compensation Committee to be eligible for the Grant.*.
- 3.1.14 **Employee** means an employee of the Company whether in India or outside India, including a Director including those under an employment contract for a fixed period with the Company but excluding, Independent Directors. However it shall not include any Employee who is a promoter or belongs to the promoter group or a Director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding Shares of the Company.
- 3.1.15 **Exercise** in relation to Options means the tendering by a Participant of an application in prescribed format for the issue of Shares, pursuant to the Options Vested in him under the Plan, accompanied by the Exercise Price payable for the Shares.
- 3.1.16 **Exercise Date** means the date on which Participant in the Plan elects to Exercise the Options.
- 3.1.17 **Exercise Period** means the time period after Vesting within which the Participant can Exercise his right to apply for Shares to be issued to him against the Options vested in him in pursuance of this Scheme and shall be as set out in the Award Agreement. The maximum Exercise Period shall not exceed 4 years from the date of Vesting.*#
- 3.1.18 **Exercise Price** means the price payable by the Participant for Exercising the Option Granted to him in pursuance of this Plan.
- 3.1.19 **Forfeiture** means the cancellation of the Options granted and therefore the cessation of right to Exercise the Options granted to a Participant under this Plan.
- 3.1.20 **Grant** means issue of Options to the Eligible Employees under the Plan.
- 3.1.21 **Grant Date** means the date on which Stock Options are granted to Eligible Employees pursuant to the Plan.
- 3.1.22 **Holding Company** shall have the same meaning assigned to it in Section 2(46) of the Act including the amendments or alterations made thereto from time to time.
- 3.1.23 **Independent Director** shall have the same meaning assigned to it in Section 2(47) of the Act including the amendments or alterations made thereto from time to time.
- 3.1.24 **Nominee** shall have the same meaning assigned to it in Clause 7.3 of this Plan.
- 3.1.25 **Option or Stock Option** means a right but not an obligation granted to a Participant to subscribe to Shares or any Resultant Shares in pursuance of the Plan to apply for Shares of the Company at a pre- determined price and upon such terms and conditions as may be specified by the Company. Each Option granted would represent the right to apply for one Share.

- 3.1.26 **Participant** means an Eligible Employee who has been granted Stock Options pursuant to the Plan and, where the context so requires, includes the Nominee.
- 3.1.27 **Plan** means Orient Cement ESOS as set out herein and as amended or modified from time to time.
- 3.1.28 **Plan Pool** shall have the same meaning assigned to it in Clause 5.1 of this Plan.
- 3.1.29 **Promoter** shall have the same meaning provided under Section 2(69) of the Act read with SEBI ICDR Regulations, including the statutory modifications or amendments thereto.
- 3.1.30 **Promoter Group** shall have the same meaning assigned to it under the SEBI ICDR Regulations.
- 3.1.31 **Recognized Stock Exchange** means the Bombay Stock Exchange, National Stock Exchange of India Limited or any other Stock Exchange in India as agreed by the Board on which the Company's Shares are listed or are to be listed.
- 3.1.32 **Remuneration Committee** means the Nomination and Remuneration Cum Compensation Committee of the Company as constituted by the Board in accordance with the SEBI Regulations, consisting of a majority of Independent Directors and entrusted with the authority to formulate, implement and administer the Plan. The members of the Remuneration Committee may change from time to time.
- 3.1.33 **Resultant shares** means the shares issued in lieu of Shares of the Company on any Change in Capital Structure or on any Corporate Action as mentioned in this Plan.
- 3.1.34 **SEBI** means the Securities and Exchange Board of India.
- 3.1.35 **SEBI ICDR Regulations** means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.
- 3.1.36 **SEBI Regulations** means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time.
- 3.1.37 **Share(s)** means the fully paid-up equity shares of the Company of the face value of Rs 1 each and includes the securities convertible into equity shares, American Depository Receipts (ADR), Global Depository Receipts (GDR), or other depository receipts representing underlying shares or securities convertible into shares and where the context so requires shall include the Resultant Shares.
- 3.1.38 **Strategic Sale** means sale of greater than 51% (Fifty one percent) of the Shares in its entirety and/or any event resulting from Corporate Action undertaken by the Company.
- 3.1.39 **Subsidiary** means a subsidiary of the Company as defined under the Act.
- 3.1.40 **Tenure or Plan Tenure** means the period from approval of the Plan to Closing Date, during which the Plan is effective.

- 3.1.41 **'the Act'** means the Companies Act, 2013 for the time being in force and as amended from time to time.
- 3.1.42 **"Unvested Option"** means an Option in respect of which the relevant Vesting Period and conditions for Vesting are not attained and which the Participant has not become eligible to Exercise.
- 3.1.43 **Vesting** means the process by which the Participant is given the right to apply for Shares of the Company against the Option granted to him in pursuance of the Plan.
- 3.1.44 **Vesting Period** means the period during which the Vesting of the Option Granted to the Participant in pursuance of the Plan takes place.
- 3.2 All other expressions unless defined herein shall have the same meaning as have been assigned to them under the SEBI Regulations, the SEBI Act, 1992 or the Securities Contracts (Regulation) Act, 1956 or the Act, or the SEBI ICDR Regulations or any statutory modification or re-enactment thereof, as the case may be.
- 3.3 In this Plan, unless otherwise stated or intention appears:
- 3.3.1 the Clause headings are for ease of reference only and shall not be relevant to interpretation;
- 3.3.2 a reference to a Clause number includes a reference to its Sub-Clauses;
- 3.3.3 words in the singular include the plural and vice versa, if the context so requires;
- 3.3.4 words importing a particular gender include any other gender; and
- 3.3.5 Reference to any Act, Rules, Regulations, Statutes or Notifications/Circulars/Press Notes shall include any statutory modification, substitution or re-enactment thereof.

4 IMPLEMENTATION

The Plan shall be operated and administered by the Remuneration Committee under the policy and framework laid down by the Company and/or Board of Directors of the Company and the guidelines prescribed by SEBI or any other authority in this regard, in accordance with the authority delegated to the Remuneration Committee from time to time and subject to the amendments, modifications and alterations to the Plan made by the Company in this connection.

5 SCOPE AND ELIGIBILITY; SHARES SUBJECT TO THE PLAN

- 5.1 The Plan shall apply to all Eligible Employees. The Remuneration Committee will determine the Grant in its absolute discretion in consultation as necessary with Board . Subject to the provisions of Clause 10, the aggregate number of Shares available under the Plan for Grant shall not exceed 3000000 (Three Million) Shares ("**Plan Pool**").

- 5.2 If the Option expires or becomes un-exercisable without having been exercised in full, the Shares which were subject to such Options, shall become available for future Grant unless the Plan stands terminated.
- 5.3 Where Shares are issued to the Participant consequent upon Exercise of an Option under the Plan the maximum number of Shares, which are subject to the Option referred to in Clause 5.1 above will stand reduced to the extent of such Shares.
- 5.4 The Exercise Price for each Participant shall be stipulated in his respective Award Agreement.
- 5.5 Shares to be issued to the Participant pursuant to Exercise, will be allotted directly by the Company.
- 5.6 Shares to be issued to the Participant pursuant to Exercise, will be allotted directly by the Company and shall be listed on the stock exchange where the Shares are listed.

6 ADMINISTRATION AND REMUNERATION COMMITTEE

6.1 Administration of Plan

The Plan shall be operated and administered under the superintendence of the Remuneration Committee as outlined in Clause 4 above and will be in compliance with the terms of the Plan and Applicable Law prevailing from time to time.

6.2 Powers

The Powers of, the Remuneration Committee, inter alia, include the power to:

- 6.2.1 determine the number of Options to be Granted, to each Participant and in the aggregate, and the time at which such Grant shall be made.
- 6.2.2 determine the Vesting of the Grant made to any Participant and / or any conditions subject to which such Vesting may take place.
- 6.2.3 determine the Employees eligible for participation in the Plan.
- 6.2.4 determine the performance parameters for Grant and / or Vesting of Options granted to a Participant, under the Plan.
- 6.2.5 assess the performance of a Participant for Granting / determining the Vesting of the Options.
- 6.2.6 lay down the conditions under which Options Vested in Participants may lapse in case of termination of employment for fraud, misconduct or where a Participant joins competition etc.
- 6.2.7 determine the Exercise Period within which the Participant should Exercise the Options.
- 6.2.8 specify time period within which the Participant shall Exercise the Vested Options in the

event of termination or resignation of the Participant.

- 6.2.9 lay down the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of Change in the Capital Structure and/or Corporate Action.
- 6.2.10 lay down the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of Change in the Capital Structure and/or Corporate Action.
- 6.2.11 decide the number of Shares of the Company which may be issued under each Option.
- 6.2.12 lay down the method for satisfaction of any tax obligation arising in connection with the Options or such Shares.
- 6.2.13 lay down the procedure for cashless exercise of Options, if any.
- 6.2.14 provide for Grant, Vesting and Exercise of Options in case of Participants who are on long leave.
- 6.2.15 Provide for Vesting and Exercise of Options, in accordance with the Regulations and Applicable Laws, in case of Participants seconded to any other company or who have joined Holding Company or a Subsidiary or an Associate Company at the instance of the Company.
- 6.2.16 generally exercise such powers as may be necessary or expedient in connection of the implementation or administration of the Plan.

The members of the Remuneration Committee and their powers and functions can be specified, varied, altered or modified from time to time by the Board subject to SEBI Regulations and other such rules and regulations as may be in force. The Board may further provide that the Remuneration Committee shall exercise certain powers only after consulting the Board.

6.3 Liability of the Remuneration Committee

- 6.3.1 No member of the Remuneration Committee shall be personally liable for any decision or action made in good faith with respect to the Plan.
- 6.3.2 The Remuneration Committee members shall, however, abstain from participating in and deciding matters that directly affect their individual ownership interests under the Plan. In such a case the deciding authority shall rest with the Board of Directors.

7 GRANT OF OPTIONS

7.1 Grant Limits

- 7.1.1 Grants under this Plan may be made periodically at the discretion of the Remuneration Committee. Remuneration Committee may make Grants to one or more Eligible Employees, determined by it to be eligible for participation in the Plan. To the extent

that a Grant lapses or the rights of its Participant terminates, any Shares subject to such Grant shall again be available for the making of a Grant.

7.1.2 The Grant shall be at such price as may be determined by the Remuneration Committee and shall be specified in the Award Agreement but it will not be less than the face value of the Shares.

7.1.3 Each Option shall be evidenced by an Award Agreement between the Company and the Participant, which shall contain such terms, and conditions as may be approved by the Remuneration Committee. Each Agreement shall specify the effect of termination of employment, Disability, retirement or death on the ability to Exercise of the Option and such other terms and conditions as the Remuneration Committee may deem necessary.

Under each Agreement, a Participant shall have the right to appoint any individual or legal entity in writing as his beneficiary under the Plan in the event of his death / Disability ("**Nominee**"). Such designation may be revoked in writing by the Participant at any time during the term of employment and a new beneficiary may be appointed in writing on the form provided by the Remuneration Committee for such purpose. Such Nominee shall be the only legal representative recognised by the Remuneration Committee as the inheritor of the Participant's Option to the exclusion of all others.

7.1.4 The Option shall not be transferable and can be Exercised only by the Participant.

7.2 **Grant Criteria**

All Participants will be Granted Options by the Remuneration Committee on the basis of any or all of the following criteria, as and when they apply:

7.2.1 Level, role of the Employee;

7.2.2 Performance of the Employee;

7.2.3 Age of the Employee;

7.2.4 Such other factors as Remuneration Committee may decide from time to time.

7.3 **Limitations on Exercise of Option**

Any Option Granted hereunder shall be exercisable at such times and under such conditions as determined by the Remuneration Committee and as shall be permissible under the SEBI Regulations and the terms of the Plan, which shall be specified in the Agreement evidencing the Option. An Option shall not, however, be exercised for fractional shares.

7.4 **Grant Size**

The number of Options that can be granted to an Eligible Employee will be based on the percentage of the Participant's compensation and will be determined by the Remuneration Committee in their sole discretion.

8 VESTING OF OPTIONS

8.1 Vesting Plan

The Vesting period will be decided by the Remuneration Committee at the time of Grant. However there shall be a minimum period of one year, or such other period as may be prescribed by SEBI from time to time, between Grant and Vesting.

8.2 Vesting Schedule

The Vesting Schedule for the Grants shall be decided by the Remuneration Committee and will be communicated to the Participants at the time of Grant in the Award Agreement.

Notwithstanding anything to the contrary in this Plan, the Remuneration Committee shall be entitled, in its absolute discretion, to vary or alter the Vesting Date from Participant to Participant, as it may deem fit. Provided, however, that such variation shall not be to the disadvantage of the Participant.

- 8.3 The Remuneration Committee in its absolute discretion may permit the Options Granted, including Options, which have not Vested to be Exercised within such time and on such terms and conditions, within the guidelines prescribed by SEBI, as it may determine.

9 EXERCISE OF OPTIONS

9.1 Exercise Plan

The Vested Options shall be Exercised within the Exercise Period prescribed for the Participant in the Award Agreement.*#.

9.2 Exercise Price / Grant Price

The Exercise Price would be decided at the Remuneration Committee's discretion. Such Exercise price will be intimated to the Participant through the Award Agreement.

9.3 Cashless Exercise

Under a Cashless Exercise, a Participant who Exercises the Options will have to simultaneously sell the Shares acquired on Exercise of Options and will only be entitled to receive the difference between the Selling Price and the Exercise Price for the Options exercised by him after deducting taxes payable on Exercise/Sale, if any, and other amounts, expenses and charges due from him (including those in connection with the sale).

For the purpose of implementing the 'Cashless Exercise' the Remuneration Committee shall be entitled to specify such procedures and/or mechanisms for the Shares issued on Exercise of the Options as may be necessary and the same shall be binding on the Participant. For the purpose of this clause, unless otherwise stated, Selling Price means where the Shares of the Company are listed on a Recognized Stock Exchange, the actual price realized on sale of the Shares.

Notwithstanding anything contained herein or elsewhere in this Plan, it is hereby clarified that

the Company is under no obligation to either buy the Shares or pay any compensation to any Participant under this clause as a result of the inability or unwillingness of the Participant to acquire any Shares, whether due to lack of funds, any restriction under law or otherwise.

- 9.4 Notwithstanding anything contained elsewhere in the Plan, the Remuneration Committee and/or the Board may, if the Exercise of Options within the Exercise period, is prevented by any law or regulation in force, defer or refuse to permit the Exercise of Options till such time as the prohibition under the Applicable Laws is lifted and in such an event the Company shall not be liable to pay any compensation or similar payment to the Participant for any loss suffered due to such inability to Exercise. Provided further, that the Board shall have the power and is authorized to cancel all or any of the Options granted under the Plan if so required under the Applicable Law for the time being in force.

10 LAPSE OF UNVESTED OPTIONS

In the event of a Participant ceasing to be an employee by reason of:

- 10.1 termination of employment without Cause (as defined in Clause 11.1.1 of this Plan) or on account of voluntary retirement; or
- 10.2 termination of employment with Cause; or
- 10.3 abandonment of employment

the Unvested Options held by such Participant shall lapse forthwith. All such Options that so lapse shall revert to the Plan Pool and may be granted at the discretion of the Remuneration Committee to any other Eligible Employee. There shall be no further obligation of the Company or the Remuneration Committee towards the Participant with regard to such lapsed Options.

11 TERMINAL CONDITIONS

- 11.1 If a Participant's employment (or other service) with the Company terminates:

11.1.1 For Cause, then all Vested Options which are not exercised shall lapse and be cancelled with immediate effect and such cancelled Options shall revert to the Plan Pool. There shall be no further obligation of the Company or the Remuneration Committee towards the Participant with regard to such lapsed and cancelled Options.

"Cause" shall mean, as determined by the Remuneration Committee, (i) the failure of the Participant to achieve assigned performance targets and objectives, (other than any such failure resulting from retirement, death or Disability), or (ii) the engaging by the Participant in willful, reckless or grossly negligent misconduct which is determined by the Remuneration Committee to be detrimental to the interest of the Company or any of its affiliates, monetarily or otherwise, or (iii) the Participant's pleading guilty to or conviction of a felony, or (iv) fraud, moral turpitude, misfeasance, breach of trust or wrongful disclosure of any secret or confidential information about the Company to any third party.

- 11.1.2 Without Cause, or on account of voluntary resignation, the Participant shall be required to Exercise his Vested Options within 3 (three) months from the date of termination/resignation. If not so Exercised, such Vested Options shall lapse and be cancelled. All such Options that so lapse shall revert to the Plan Pool and may be granted at the discretion of the Remuneration Committee to any other Eligible Employee. There shall be no further obligation of the Company or the Remuneration Committee towards the Participant with regard to such lapsed Options.
- 11.2 In the event of death of Participant, while in employment, all Options granted to him shall be transferred to his Nominee and would vest immediately. Such Options shall be required to be exercised by the Nominee within 1 (one) year from the date of death of the Participant. In the event that the Options are not exercised within such period then they shall lapse and revert to the Plan Pool and may be granted at the discretion of the Remuneration Committee to any other Eligible Employee. There shall be no further obligation of the Company or the Remuneration Committee towards the Participant with regard to such lapsed Options.
- 11.3 In the event the Participant suffers a permanent incapacity, while in employment, all Options granted to him shall vest immediately on the day of ascertainment of Disability by the Remuneration Committee. Such Options shall be exercisable either by the Participant or his Nominee within 1 (one) year from the date of separation from employment. In the event that the Options are not exercised within such period then they shall lapse and revert to the Plan Pool and may be granted at the discretion of the Remuneration Committee to any other Eligible Employee. There shall be no further obligation of the Company or the Remuneration Committee towards the Participant with regard to such lapsed Options.
- 11.4 In case of retirement, the Participant, the Unvested Options shall vest as per the defined Vesting Schedule as mentioned in Section 7 and Section 8 of the Plan. The Options which so vest as per the foregoing and which were vested prior to the date of retirement shall be required to be Exercised by the Participant within 4 (four) years from the date of Vesting. In the event that the Options are not exercised within such period then they shall lapse and revert to the Plan Pool and may be granted at the discretion of the Remuneration Committee to any other Eligible Employee. There shall be no further obligation of the Company or the Remuneration Committee towards the Participant with regard to such lapsed Options.
- 11.5 In the event of abandonment of employment by the Participant in the Company, all Vested Options granted to the Participant shall lapse and stand cancelled on the termination date. The date of abandonment of employment by the Participant shall be decided by the Company at its sole discretion, which decision shall be binding on all concerned. Such lapsed Options shall revert to the Plan pool and may be granted at the discretion of the Remuneration Committee to any other Eligible Employee. There shall be no further obligation of the Company or the Remuneration Committee towards the Participant with regard to such lapsed Options.

12 NON-ASSIGNABILITY

The Option shall not be transferable or assignable by the Participant, except to the Nominee in case of Death or Disability of the Participant, and the Option shall be Exercisable, during the Participant's lifetime, only by him or, during periods of Disability, by his appointed Nominee. No Option shall be subject to execution of any decree, attachment or similar process.

13 RIGHTS OF AN EMPLOYEE TO SHARES

Shareholder rights

Neither Participant, nor his Nominee shall have any of the rights of a shareholder of the Company with respect to the Shares for which the Option is Granted until Options are Exercised and Shares are issued by the Company.

14 TERMS AND CONDITIONS OF SHARES

All Shares acquired under the Plan shall be listed on all the Stock Exchanges on which the Company's Shares are listed and will rank pari passu with all other Shares of the Company for the time being in issue, save as regards any right attached to any such Shares by reference to a record date prior to the date of allotment.

15 CHANGE IN CAPITAL STRUCTURE OR CORPORATE ACTION

- 15.1 Except as hereinafter provided, a Grant made shall be subject to adjustment, by the Remuneration Committee, at its discretion as to number and Exercise Price of Options, as the case may be, in the event of 'Change in Capital Structure' or a 'Corporate Action' as defined in this Plan.
- 15.2 The existence of the Plan and the Grants made hereunder shall not in any way affect the right or the power of the Board of Directors or the shareholders of the Company to make or authorize any 'Change in Capital Structure' or undertake any 'Corporate Action' including any further issue of Shares, debt or other securities having any priority or preference with respect to the Shares or the rights thereof.
- 15.3 If there is a 'Change in the Capital Structure of the Company' before the Vested Options granted under this Plan are Exercised, the Participant shall be entitled to Exercise the Vested Options, to such number of Resultant Shares to which he would have been entitled as if all the Options not exercised by him had been exercised by him before such 'Change in the Capital Structure' of the Company had taken place and the rights under the Options shall stand correspondingly adjusted.
- 15.4 The Shares in respect of which the Options are Granted, are Shares as presently constituted. But if and when, prior to the expiry of the Exercise Period there is a 'Change in the Capital Structure' of the Company, the number of Shares with respect to which the Options may thereafter be exercised shall, in the event of:
- 15.4.1 an increase in the number or Resultant Shares, be proportionately increased, and the Exercise Price, be proportionately reduced.
- 15.4.2 a reduction in the number of Resultant Shares, be proportionately reduced, and the Exercise Price, be proportionately increased.

Provided further that in case the provisions of Applicable Law restrict/prohibit the issue of Shares at a discount to its par value, the Exercise Price shall not be less than the amount as prescribed under such law.

15.5 In the event of 'Corporate Action', the Remuneration Committee, at least seven days prior to any 'Corporate Action' or thirty days thereafter, acting in its absolute discretion with or without the consent or approval of the Participant, as it may deem fit, shall in respect of the outstanding Options act on any of the following alternatives:

15.5.1 Provide that on any Exercise of Vested Options hereafter, the Participant shall be entitled to the Shares and / or Resultant Shares as if the Participant had been a holder of the Shares on exercise of the Options.

15.5.2 Make such adjustments to the Options outstanding to reflect the 'Corporate Action', as may be necessary,

15.5.3 Require the mandatory surrender to the Company, by all or some of the Participants, of all or some of the outstanding Options, irrespective of whether, the Options, have Vested or not, as on that date, and in such an event the Remuneration Committee shall pay such Participant an amount in cash or otherwise, per Option, as the case may be, of the Change in Control Value which will be after deducting the balance Exercise Price payable, if any.

16 AMENDMENT OR TERMINATION OF THE PLAN

16.1 The Company may by special resolution vary the terms of this Plan in compliance with Applicable Laws, provided such variation is not prejudicial to the interests of the Employees.

16.2 Without prejudice to the above, the Board of Directors may, without any reference to or consent of the Participant concerned, amend the Plan or Grant or any Award Agreement to comply with any laws, regulations or guidelines, which is or may hereinafter, become applicable to this Plan.

17 OTHERS

17.1 No Right to a Grant

Neither the adoption of the Plan nor any action of the Remuneration Committee shall be deemed to give a Participant any right to be Granted an Option to purchase Shares, to receive a Grant or to any other rights hereunder except as may be evidenced by an Award Agreement duly executed on behalf of the Company, and then only to the extent of and on the terms and conditions expressly set forth therein.

17.2 No Employment Rights Conferred

Nothing contained in the Plan or in any Grant made hereunder shall (i) confer upon any Participant any right with respect to continuation of employment with the Company, or (ii) interfere in any way with the right of the Company to terminate his or her employment at any time.

17.3 **No Restriction of Corporate Action**

Nothing contained in the Plan shall be construed to prevent the Company from taking any Corporate Action which is deemed by the Company to be appropriate or in its best interest, whether or not such action would have an adverse effect on the Plan. No Participant, beneficiary or other person shall have any claim against the Company as a result of such action.

17.4 **Taxation**

The Participant shall be liable for any tax that may be attracted on the Participant receiving the Shares upon Exercise or upon Cashless Exercise of Options. All Options granted under the Plan shall be subject to deduction of applicable perquisite tax or any other tax at source as applicable under law, if at any time of Grant, Vesting or Exercise (or Cashless Exercise) of such Options or transfer of Shares, as per the Applicable Laws. The Company shall have a right to deduct appropriate tax from any payment due to the Participant from the Company under this Plan or under the employment agreement with the Eligible Employee. In the event that the amount so due and payable by the Company is insufficient to meet the withholding tax liability, the Company shall require the Participant to remit such amount to the Company as would be necessary to meet the tax withholding obligation of the Company.

The Participant will authorize in a prescribed format the Company to sell such number of Shares as would be necessary to discharge the obligation in the respect of tax deduction at source/recovery of tax paid and appropriate the proceeds thereof on behalf of the Participant, if so required.

17.5 **Non transferability**

The Options granted under this Plan is non-transferable and therefore not eligible to be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised by the Participant during his/her life time or by the legal heir as the case may be.

17.6 **Confidentiality**

The Participant shall ensure complete confidentiality in respect of all documents, matters and discussions in relation to the Plan, Grant, the Award Agreement or any connected matter. Any violation may result in cancellation of Grants.

17.7 **Insider Trading**

The Participant shall ensure that there is no violation of:

17.7.1 Insider Trading Regulations of the Country and/or the Recognized Stock Exchange on which the shares of the Company are listed.

17.7.2 Other applicable restrictions for prevention of Fraudulent and/or Unfair Trade Practices relating to the Securities Market.

The Participant shall keep the Company, Remuneration Committee and the Board, fully indemnified in respect of any liability arising for violation of the above provisions.

17.8 **New Plans**

Nothing contained in the Plan shall be construed to prevent the Company directly or through any trust settled by Company, from implementing any other new Employee Ownership Plan which is deemed by the Company to be appropriate or in its best interest, whether or not such other action would have any adverse impact on the Plan or any Grant made under the Plan. No Participant or other person shall have any claim against the Company and/or trust as a result of such action.

17.9 **Issues**

In respect of any issues arising in respect of the Plan, the decision of the Board shall be final and binding on all concerned.

17.10 **Information to Participants**

Participants under the Plan shall receive financial statements annually regarding the Company during the period the Options are outstanding.

17.11 **Governing Law**

The Plan shall be construed in accordance with the laws of Republic of India and other Applicable Laws. The Shares issued pursuant to this plan shall be governed by the Corporate and Securities Laws of the India and in a case where the Shares are listed on a Recognized Stock Exchange in a country other than India, the laws of the country / stock exchange in which the Shares are listed shall also apply.

ADOPTED BY THE BOARD OF DIRECTORS AS OF 8TH MAY, 2015

*MODIFIED BY THE BOARD OF DIRECTORS AS ON 28TH APRIL, 2023

APPROVED BY THE SHAREHOLDERS AS OF 25TH JULY, 2015

#MODIFICATION APPROVED BY THE SHAREHOLDERS AS OF 1ST AUGUST, 2023