

EMPLOYEE STOCK OPTION PLAN OF AGRO TECH FOODS LIMITED
(as amended and approved pursuant to SEBI (Share Based Employee
Benefits and Sweat Equity) Regulations, 2021)

AGRO TECH EMPLOYEE STOCK OPTION PLAN

1. Purpose

The purpose of the Plan is to (a) promote the long-term financial success of the Company and sustained increase in shareholder value by providing an ownership interest in the Company to the Employees, (b) provide a competitive compensation to the Employees, and (c) enable the Company to attract and retain the best Employees.

2. Definitions

The terms defined in this Section shall, for purposes of this Plan, have the meanings herein specified:

Agreement means the Agro Tech Employee Stock Option Plan Agreement executed between the Company and the Participant, laying down the terms and conditions of the grant. The Agreement is subject to the terms and conditions of the Plan.

Associate Company shall have the same meaning as defined under section 2(6) of the Companies Act, 2013.

Authorised Capital means the authorized share capital of the Company.

Award means any Options granted under the Plan.

Board means the Board of Directors of the Company.

Cause means i) the commission of an act of fraud or embezzlement against the Company, ii) willful misconduct or gross negligence detrimental to the Company, iii) wrongful use or dissemination of confidential or proprietary information, or iv) intentional or habitual neglect of duties to the Company.

Company means Agro Tech Foods Limited, and any successor Company thereof.

Control shall have the same meaning as defined under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Disability means physical condition wherein, in the opinion of the Nomination and Remuneration Committee, the Participant is not able to discharge his duties.

Emergency means the need of funds by the trust to meet the commitment arising out of the objective of the scheme.

Employee means a permanent Employee of the Company (including whole time Directors) employed in fulltime employment by the Company, or any parent or subsidiary of the Company or Associate Company, in India or outside India.

Equity or Equity Shares means equity shares of Company.

Exercise means conversion of Options into Equity Shares more fully detailed in Para 8 below.

Exercise Period means the time period after vesting within which the Participant should Exercise his right to apply for shares against the Options vested in him.

Exercise Price means the consideration payable by the Participant pursuant to Exercise of an Option.

Grant Date means the date on which the Nomination and Remuneration Committee approves the Awards.

Grant Size means the number of Options granted to the Participant.

Group means two or more companies which, directly or indirectly, are in a 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 in the other company; or
- (iii) control the management or affairs of the other company.

Fair Market Value means the closing price of the share of the Company as reported in a recognised stock exchange on the Relevant Date, or if no price is reported for such date, the next preceding day for which there is a reported price.

Independent Director shall have the same meaning assigned to it in Clause 49 of the equity Listing Agreement as prescribed by the SEBI

Key Managerial Personnel shall have the same meaning as defined under section 2(51) of the Companies Act, 2013.

Nomination and Remuneration Committee means a Committee by whatever name called, of such members of the Board as provided under regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or modified from time to time, for the purpose, inter alia, of administering the Plan.

Participant / Participant Employee(s) means all those Employees and Directors (but excluding Independent Directors) who are eligible to participate in the Plan as per the eligibility criteria laid down by the Nomination and Remuneration Committee from time to time.

Plan means the Agro Tech Employee Stock Option Plan as set forth in this document and as hereafter amended from time to time

Promoter shall have the meaning as per its definition provided under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.

Promoter Group shall have the meaning as per its definition provided under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time. Provided where the Promoter or Promoter Group is a body corporate, the promoters of that body corporate shall also be deemed to be promoters of the Company.

Relative shall have the same meaning as defined under section 2(77) of the Companies Act, 2013.

Relevant Date means,-

- (i) in the case of grant, the date of the meeting of the Nomination and Remuneration 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 or to the Trust/Nomination and Remuneration Committee by the employee.

Retirement means, in case of Employees, retirement as per the superannuation rules of the Company and in case of directors, retirement as per Companies Act, 2013.

SEBI Regulations mean SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time.

Secondary Acquisition means acquisition of existing shares of the Company by the Trust on the platform of a recognized stock exchange for cash consideration.

Stock Option / Option means an option given to a Participant which gives him a right to purchase or subscribe at a future date Equity Shares of the Company granted under the Agro Tech Employee Stock Option Plan, directly or indirectly at a pre-determined price.

Trust means Agro tech ESOP Trust, a trust established under the provisions of Indian Trusts Act, 1882 including any statutory modification or re-enactment thereof, for implementation of the Plan.

Trustee(s) means the trustee(s) of the Trust.

Vesting means the process by which the Participant becomes entitled to receive the benefit of an Award made to him under the Plan.

Vesting Period means the period, from the date of grant of Options till the date

on which the Participant is eligible to Exercise the Option.

Vested Options means all those Options for which the period from the day of grant of the Option to the day under consideration, is greater than the Vesting Period as per the vesting schedule for the relevant grant.

Unvested Options means all those Options for which the period from the day of grant of the Option to the day under consideration is less than the Vesting Period, as per the vesting schedule for the relevant grant.

3. Purpose of the Plan

The Plan is to grant Options to purchase Equity Shares of the Company to the Participants, as shall be determined by the Nomination and Remuneration Committee in its sole discretion. The Participant shall have the right to accept the offer in full or in part.

4. Eligibility

The Plan is applicable to all Participants/Participant Employees, but excludes an Employee who is a Promoter or belongs to a Promoter Group and any director who either by himself or through his relative or through anybody corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company. The eligibility to receive grants under the Plan shall be decided by the Nomination and Remuneration Committee from time to time at its sole discretion. A nominee director may be eligible subject to satisfaction of the conditions laid down in the SEBI Regulations.

5. Number of Shares

The total number of shares available for grant under the Plan shall not exceed 5% of the issued and subscribed Equity share capital of the Company, from time to time.

6. Effective Date of the Plan

The effective date of the Plan is the date of its approval by the Shareholders of the Company, by passing a special resolution in the general meeting, as per Regulation 6 of SEBI Regulations.

7. Terms of the Plan

7.1 Frequency of Grant

The Options shall be granted to Participants from time to time, as may be decided by the Nomination and Remuneration Committee.

7.2 Grant Date

- The day on which the Nomination and Remuneration Committee meets to finalise the grant shall be the Grant Date.
- Hiring Grants: To new Employees, Options may be granted at the time of appointment. In such cases, the day on which the Nomination and Remuneration Committee decides the number of Options to be offered to such new Employee shall be the Grant Date.

7.3 Grant Size

- The Nomination and Remuneration Committee shall determine the number of Options to be granted to each Participant and the criteria to be applied for such determination. The Committee shall have full discretion to lay down, change or modify the criteria, as they deem fit.
- The Committee may consider criteria such as performance, level in the organisation, potential, period of service, criticality of the individual, number of shares available, etc.
- The maximum number of Options for a Participant in a year shall not be equal to or exceeding 1% of the issued/paid-up capital (excluding conversions, if any) of the Company, and 5% in aggregate from time to time.

7.4 Vesting Period

- The Nomination and Remuneration Committee shall decide the manner and period of vesting of Options at the time of grant.
- No Options shall, however, vest in less than 12 (twelve) months, or such other longer period as may be prescribed by the SEBI Regulations from time to time, after the Grant Date.
- In case where Options are granted by the Company in lieu of Options held by a person under an employee stock option scheme in another company which has merged or amalgamated with that company, the period during which the Options granted by the transferor company were held by him shall be adjusted against the minimum Vesting Period required under this para.

7.5 Exercise Price

The Nomination and Remuneration Committee shall determine the Exercise Price of each grant and the pricing formula to be applied for such determination. The Exercise Price shall, however, be not less than the Fair

Market Value on the Relevant Date.

7.6 Period of Exercise

The Option granted can be exercised at any time until completion of ten years from the Grant Date. Any Options remaining unexercised at the end of the Exercise Period shall lapse.

7.7 Manner of Exercise

At the time of Exercise the Participant may pay the Exercise Price in the approved form of payment and hold the shares or opt for cashless system of Exercise.

8. Form of Consideration

8.1. The Committee shall establish procedures governing the Exercise of Options, which shall require that written notice of Exercise be given and that the Option price be paid in full in cash, including by personal cheque, at the time of Exercise or pursuant to any arrangement that the Nomination and Remuneration Committee shall approve. As soon as practicable after receipt of a written Exercise notice and full payment of the Exercise Price, the Trust shall deliver to the Participant the shares. The Committee may permit a Participant to elect to pay the Exercise Price upon the Exercise of an Option by irrevocably authorizing a third party to sell shares (or a sufficient portion of the shares) acquired upon the Exercise of the Option and remit to the Trust a sufficient portion of the sale proceeds to pay the entire Exercise Price and any required tax resulting from such Exercise.

8.2. Cashless Exercise

Upon receipt of a written Exercise notice from a Participant, the Trust may sell the shares in the secondary market, to the extent, to enable the employee to fund the payment of the Exercise Price, the amount necessary to meet his/her tax obligations and other related expenses pursuant to exercise of options granted. The Trust shall transfer the balance shares to the employee/ their nominee/legal heirs, as may be applicable, subject to the applicable provision of the SEBI Regulations or all other laws, as may be applicable.

The Company or the trustee may fund or permit the empanelled stock brokers to make suitable arrangements to fund the employee for payment of exercise price, the amount necessary to meet his/her tax obligations and other related expenses pursuant to exercise of options granted under the Plan and such amount shall be adjusted against the sale proceeds of some or all the shares of such employee.

8.3. Consequences of failure to exercise Option

The amount payable by the Participant, if any, at the time of Grant of Option, -

(a) may be forfeited by the Company if the Option is not exercised by the Participant within the Exercise Period; or

(b) may be refunded to the Participant if the Options are not vested as per the terms of the Plan.

9. Termination of Employment

The Plan shall be practised in the following ways in the case of termination of employment:

9.1. On Retirement: If Employee retires from the Company, he shall Exercise his Vested Options within 3 (three) years or the remaining validity of the Options, whichever is earlier. All Unvested Options shall vest with the Employee as per the pre-determined Vesting Period and upon Vesting, be exercised within the Exercise Period or a period not exceeding 3 (three) years from such Vesting, whichever is lower.

9.2. On Death: In the event of the death of Employee while in employment, the Vested Options shall be transferred to the legal heirs or nominees indicated in the Agreement and Exercised within 1 (one) year. If, on his death, the Employee has not vested his entire Option, the shares covered by the unvested portion shall vest immediately and be transferred to the legal heirs or nominees indicated in the Agreement and Exercised within 1 (one) year of the date of transfer.

9.3. On Disability: In case the Employee suffers a Disability while in employment, the Vested Options can be held by the Employee and Exercised within 3 (three) years from the date of Disability or the remaining validity of the Options, whichever is earlier. If, on the date of Disability, if there are any unvested Options, the shares covered by the unvested portion shall vest immediately and may be exercised with a period of 3 (three) years.

9.4. On Termination due to Cause: If an Employee ceases to be in employment due to a Cause, all the Options whether vested or unvested will be forfeited. The employee shall be entitled to retain all the Vested Options, at the sole discretion of the Nomination and Remuneration Committee.

9.5. On Termination not for a Cause: If the Employee ceases to be in employment not for a Cause, the Vested Options shall have to be exercised within 3 (three) months. If termination is on account of lay-off, on the date of layoff, if there are any Unvested Options, the shares covered by the Unvested Options will vest immediately.

9.6. On Resignation: If an Employee ceases to be in employment due to resignation, the Options which have vested shall have to be exercised within one month. If, on the date of resignation, the Employee has any unvested Options, the shares covered by the unvested portion shall be forfeited and

revert to the Plan.

- 9.7.** For the purpose of the Plan, transfer/deputation of the employment of an Employee between the Company and parent / subsidiary/ associate Company shall not be deemed a termination of employment. In case of transfer to a parent/subsidiary/associate Company, the Vesting and/or Exercise shall continue in case of such transferred/deputed employee, even after the transfer or deputation, all Options granted to the Employee prior to the date of transfer shall vest or be exercised as per the conditions outlined in Para 7.4 of the Plan and the Employee may Exercise the Options as per the conditions outlined in Para 7.7 of the Plan.

10. Agro Tech Employee Stock Option Plan Agreement

The Employees shall enter into an Agreement with the Company at the time of grant of Options. The grant will be governed by the terms and conditions listed in the Plan and the Agreement.

11. Taxation

- 11.1.** Prior to the delivery of any shares, the Company shall have the power and the right to deduct or withhold tax at source as required under the Income Tax Act, 1961.
- 11.2.** All tax liability arising out of receipt of Options, Exercise of Options and/or subsequent sale of shares shall be that of the Participant alone.

12. Rights as a shareholder

The Participant shall not have right to receive any dividend or to vote or in any manner enjoy the right or benefits of a shareholder in respect of Option granted to him, till shares are issued on Exercise of Option.

13. Administration

- A.** The Plan shall be administered by the Nomination and Remuneration Committee. The Plan shall be implemented by the Trust. The Nomination and Remuneration Committee has delegated the administration of the Plan to the Trust.
- 13.1.** The Nomination and Remuneration Committee shall have the full powers to administer the Plan, prescribe or amend any rules and correct any defects in the Plan.
- 13.2.** The Committee, by majority action thereof, is authorized to prescribe, amend, and rescind rules and regulations relating to the Plan, to provide for conditions deemed necessary or advisable to protect the interests of the Company, and to make all other determinations necessary or advisable for

the administration and interpretation of the Plan, including those as may be prescribed by or under SEBI Regulations. Determinations, interpretations, or other actions made or taken by the Committee pursuant to the provisions of the Plan shall be final, binding, and conclusive for all purposes and upon all persons.

The Nomination and Remuneration Committee shall take all decisions regarding the administration of the Plan such as:

- To determine the Participants to whom Options may be granted hereunder.
- To determine the number of Options to be granted to each Participant.
- To determine the Grant Date or the Relevant Date.
- To determine the Exercise Price and the Vesting Period.
- To approve forms of Agreement for use under the Plan.
- To make adjustments to the Grant Size and Exercise Price in the event of issue of bonus or rights shares.
- To authorise any person to execute documents on behalf of the committee, to maintain all such books of account, records and data as may be required to administer the Plan.
- To formulate working rules and guidelines to facilitate smooth administration. These may, inter alia, cover issues such as:
 - Number of times in a year the Options may be Exercised
 - minimum number of Options that be Exercised at a time
 - Provision of financial assistance to Employees for exercising Options etc.

13.3 Implementation of the Plan

- a) An Employee welfare trust called the Agro Tech ESOP Trust is already formed, as per the Trust Deed document, for the purpose of administering the Stock Options, both cash and cashless, through empanelled stock brokers; to fund the payment of Exercise Price and; transfer of shares in case of termination of employment of the Participant.
- b) Subject to the requirements of Companies Act, 2013 read with Companies (Share Capital and Debenture) Rules, 2014, as amended from time to time, as may be applicable, the Company may lend monies to the Trust on appropriate terms and conditions to acquire the shares either through new issue or secondary acquisition, for the purposes of implementation of the Plan.

- c) The total number of shares under Secondary Acquisition held by the Trust shall at no time exceed 5% of the paid up equity capital of the Company as at the end of the financial year immediately prior to the year in which the shareholder approval is obtained for such Secondary Acquisition. For the calculation of the said ceiling limit, the following shall apply:
- the above limit shall automatically include within its ambit the expanded capital of the Company where such expansion has taken place on account of corporate action including issue of bonus shares, split or rights issue;
 - if the Company has multiple trusts and schemes, the aforesaid ceiling limit shall be applicable for all such trusts and schemes taken together at the company level and not at the level of individual trust or scheme;
 - the above ceiling limit will not be applicable where shares are allotted to the Trust by way of new issue or gift from Promoter or Promoter Group or other shareholders; and
 - in the event that the Options granted under the Plan exceeds the number of Shares that the Trust may acquire through Secondary Acquisition, then such shortfall of Shares shall be made up by the Company through new issue of Shares to the Trust in accordance with the provisions of new issue of Shares under the applicable laws.
- d) The Trust shall be required to make disclosures and comply with the other requirements applicable to insiders or promoters under the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any modification or re-enactment thereto.
- e) The provisions applicable for implementation of the schemes through Trust as prescribed under SEBI Regulations shall apply to the said Agro Tech ESOP Trust at all times, and in particular including the following:
- A person shall not be appointed as a Trustee, if he is : (i) a director, Key Managerial Personnel or Promoter of the company or its group company or its holding, subsidiary or Associate company or any Relative of such director, Key Managerial Personnel or Promoter; or (ii) beneficially holds 10 (ten) percent or more of the paid-up share capital or voting rights of the Company.
 - The Trustees of the Trust, which is governed under the SEBI Regulations, shall not vote in respect of the Shares held by such Trust, so as to avoid any misuse arising out of exercising such voting rights.
 - The Trust shall not deal in derivatives, and shall undertake only

delivery based transactions for the purposes of Secondary Acquisition as permitted by the SEBI Regulations.

- For the purposes of disclosures to the stock exchange, the shareholding of the Trust shall be shown as 'non-promoter and non-public shareholding'.
- Secondary Acquisition in a financial year by the Trust shall not exceed 2 (two) per cent of the paid up equity capital of the Company as at the end of the previous financial year.
- The un-appropriated inventory of Shares which are not backed by grants, acquired through Secondary Acquisition by the Trust under the Plan, shall be appropriated within a reasonable period which shall not extend beyond the end of the subsequent financial year.

Provided that if such Trust(s) existing as on the date of notification of SEBI Regulations are not able to appropriate the un-appropriated inventory within 1 (one) year of such notification (i.e. 27 Oct 2015), the same shall be disclosed to the stock exchange(s) at the end of such period and then the same shall be sold on the recognized stock exchange(s) where Shares of the Company are listed, within a period of 5 (five) years from the date of notification of SEBI Regulations (i.e. 27th Oct, 2019).

- The Trust shall be required to hold the shares acquired through Secondary Acquisition for a minimum period of 6 (six) months except where they are required to be transferred in the circumstances enumerated in clause (b) of sub-regulation (14) of SEBI Regulations.
- The Trust shall be required to make disclosures and comply with the other requirements applicable to insiders or promoters under the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any modification or re-enactment thereto.

13.4. The Nomination and Remuneration Committee shall put appropriate systems in place to prevent the incidence of any insider trading.

13.5. The Nomination and Remuneration Committee shall frame suitable policies and systems to ensure that there is no violation by any Participant of;

- i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- ii) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995;

their amendments or any other laws, regulations or guidelines relating to Employee shareholding.

13.6. The Nomination and Remuneration Committee shall obtain permission/s from and make periodic reporting to regulatory authorities and ensuring compliance with all guidelines applicable to the Plan.

13.7. All disputes regarding the Plan shall be referred to the Nomination and Remuneration Committee and the decision of the Nomination and Remuneration Committee shall be final, conclusive and binding on all persons.

14. Amendment and Termination of the Plan

14.1. The Board of Directors may, in their sole discretion, amend, suspend or terminate the Plan at any time, subject to the applicable SEBI Regulations.

14.2. In the event of such termination, the Nomination and Remuneration Committee shall prescribe the conditions governing the vesting and Exercise of the outstanding Options. Such conditions may not, however, be less beneficial to the Participant or more restrictive than the conditions of the Plan.

14.3. The Board may not make any amendment which would (i) materially modify the requirements for participation in the Plan, (ii) increase the number of shares subject to Awards under the Plan pursuant to Para 5 of the Plan, or (iii) change the minimum Exercise Price for share Options as provided in Para 7.5, in each case without the approval of a majority of the shareholders. No amendment or modification shall adversely affect the material rights of any Participant with respect to a previously granted Award.

14.4. No amendment, alteration, suspension or termination of the Plan shall impair or be detrimental to the rights of any Participant and any variation of terms of this Plan shall be subject to the procedure provided under the SEBI Regulations.

14.5 Any subsequent statutory modification/amendment in the SEBI Regulations shall automatically apply to Plan and Plan will be administered according to the applicable statutory modified provisions.

15. Change in Control

15.1. On the date of a Change of Control as defined below, all outstanding share Options, subject to SEBI Regulations, shall become immediately exercisable.

15.2. Change in Control shall mean:

- i) The acquisition of shares by any individual, entity or group of more than 50% of the then outstanding shares of the Company. Any acquisition, however, by the Promoters of the Company or its subsidiaries/ affiliates shall not constitute a change of control
- ii) Approval by the Company's shareholders of a complete liquidation or dissolution of the Company.
- iii) An event in which individuals who, as of the date hereof, constitute the Board cease for any reason to constitute a majority of the Board, provided that any person becoming a director subsequent to the date hereof whose election, or nomination for the election by the Company's shareholders, was approved by a vote of a majority of the directors then comprising the incumbent Board shall be, for purposes of this Plan, considered as though such person were a member of the incumbent Board; or
- iv) In the case of a reorganization, merger or consolidation, in each case, in which the Company is not the surviving entity and with respect to which persons who were the shareholders of the Company immediately prior to such reorganization, merger or consolidation do not, immediately thereafter, own more than 50% of the combined voting power entitled to vote generally in the election of directors of the reorganized, merged or consolidated Company's then outstanding voting securities, or a liquidation or dissolution of the Company or of the sale of all or substantially all of the assets of the Company.

15.3. All the obligation of the Company under the Plan, shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the business and / or assets of the Company.

16. Reconstruction/Amalgamation of the Company

In the event of reconstruction/amalgamation of the Company, the Nomination and Remuneration Committee shall ensure that the Participants receive Options in the new entity in the same proportion as the shareholders and the number of Options and/or the Exercise Price shall be modified in a manner so as to ensure that the value of the new Options is no less than the value of the Options originally granted.

17. Adjustment in Capitalization.

17.1. In the event of issue of bonus shares or stock split, recapitalization (including the payment of an extraordinary dividend), merger, consolidation, combination, spin-off, distribution of assets to shareholders, exchange of shares, or other similar corporate transaction or event, (i) the aggregate number of shares available for Awards and (ii) the number of shares and Exercise Price with respect to Options shall be appropriately adjusted by the

Nomination and Remuneration Committee, whose determination shall be final.

17.2. In case the original Options have not vested fully with the Participant, the adjusted Options shall vest with the Participant as per the normal schedule of vesting.

17.3. In case the original Options have vested fully with the Participant, the adjusted Options shall also be deemed to have been vested fully with the Participant on the same date on which the original Options have vested.

18. Re-issue of Cancelled, Terminated, Forfeited or Surrendered Awards.

Any Options granted which for any reason are cancelled or forfeited shall again be available for Award under the Plan.

19. Miscellaneous Provisions

19.1. Nothing contained in the Plan shall limit or restrict in any way the Company from making any Award or payment to the Employees and the Directors under any other Plan.

19.2. Notwithstanding anything contained herein or in any Agreement to the contrary, the Company shall not be required to sell or issue shares if the sale/issuance thereof violates any provision of any law or regulation of any Government authority or SEBI or a Stock Exchange.

19.3. Participation in this Plan shall not be construed as a guarantee of return on the Options or the shares purchased in Exercise thereof. The risks associated with investment in shares are that of the Participants' alone.

19.4. Option granted to a Participant shall not be transferable to any person except as laid down in Para 9 of the Plan. The Option granted to the Participant shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner, other than by will or by the laws of descent and distribution.

19.5. No Guarantee of Employment or Participation.

Nothing in the Plan shall interfere in any way the right of the Company to terminate any Participant's employment at any time, with or without cause, nor confer upon any Participant any right to continue in the employment of the Company. The rights and obligations of any individual, under the terms of his office or employment with the Company shall not be affected by his participation in this Plan. For the purpose of the Plan, transfer of the employment of an Employee between the Company and Parent/ Subsidiary /Associate Company shall not be deemed a termination of employment. No Employee shall have a right to be selected as a Participant, or, having been so selected, to receive any future Awards.

19.6. Beneficiary Designation

Each Participant under the Plan may from time to time name any beneficiary or beneficiaries to whom any benefit under the Plan is to be paid or by whom any right under the Plan is to be Exercised in case of his death. Each designation will revoke all prior designations by the same Participant shall be in a form prescribed by the Committee, and will be effective only when filed in writing with the Committee. In the absence of any such designation, Awards outstanding at death may be Exercised by the Participant's surviving spouse, if any, or otherwise by his estate.

19.7. Tax Deduction

The Company shall have the power to withhold, or require an eligible Participant to remit to the Company, an amount sufficient to satisfy the tax deduction at source requirements on any Award under the Plan, and the Company may defer issuance of Share until such requirements are satisfied.

19.8. This Plan shall not confer on any person any legal or equitable right against the Company either directly or indirectly or give rise to any cause of action in law or equity against the Company.

19.9. This Plan shall be purely at the discretion of the Company.

19.10. Each person who is and shall be a member of the Nomination and Remuneration Committee, shall be indemnified and held harmless by the Company against and from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him in connection with or resulting from any claim, motion, suit or proceedings which he is involved in, by way of the Plan.

19.11 The Company will comply with the requirements of the 'Guidance Note on Accounting for employee share-based payments' (Guidance Note) or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein.

20. Legal Constructions

20.1. Gender and Number: Except where indicated by the context, any masculine term used shall include the feminine and the singular shall include the plural or the vice versa.

20.2. Severability: In the event any provision of the Plan shall be held illegal or invalid for any reason, the legality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

20.3. Requirements of Law: The granting of and issuance of the shares under the Agreement shall be subject to all applicable laws, rules and regulations and to such approvals by any government agencies or SEBI as may be required. Any such regulation, in particular SEBI Regulations shall have an

overriding effect to the extent the same may be applicable to a particular provision in the Plan. No Option shall be offered unless the disclosures as specified under regulations/guidelines of SEBI/any other regulatory authority, are made by the Company to the prospective Option grantees, as applicable.

20.4. Agreements with Company. An Award under the Plan shall be subject to such terms and conditions, not inconsistent with the Plan, as the Committee may, in its sole discretion, prescribe. The terms and conditions of any Award to any Participant shall be reflected in such form of written document as is determined by the Committee or its designee.

20.5. Company Intent. The Company intends that the plan comply in all respects with the SEBI Regulations, and any ambiguities or inconsistencies in the construction of the Plan shall be interpreted to give effect to such intention. This Plan is being formulated to align the Company's existing Plan with the SEBI Regulations. Accordingly, any grants, Agreements already made/executed under the previous plans shall continue to apply and remain valid under this Plan and shall continue to be operative in accordance with the terms of this Plan to the extent not inconsistent with the previous plan. In case any term of this Plan is less beneficial to any Employee in comparison to the terms already applicable to such employee under the previous plan for grants already made, the Nomination and Remuneration Committee shall take an appropriate decision to the extent permissible under SEBI Regulations for such a matter. In case of any new Grant of Option, the terms and conditions of this Plan shall apply.

20.6. Governing Law. The Plan and all Agreements hereunder, shall be construed in accordance with and governed by the laws of India.