

ADDENDUM

The GKFSPL Employee Stock Option Plan-2011 ("**the Plan**") was instituted in October 2011, by the Company, Grameen Koota Financial Services Limited (erstwhile known as Grameen Financial Services Private Limited).

Subsequently, pursuant to a resolution passed by the shareholders of the Company at the EGM held on January 2 2018, the name of the Company was changed to CreditAccess Grameen Limited.

In view of the above-stated facts, circumstances and developments, the name of "the Plan" stands modified to "CAGL Employees Stock Option Plan – 2011".

Accordingly, all or any reference(s) to "Grameen Koota Financial Services Limited" or "GKFSL", in the Plan or any other ancillary or incidental documents executed thereto, shall mean and be referred to as the "CreditAccess Grameen Limited". Further, all or any reference(s) to "the Plan" and/or "GKFSPL Employee Stock Option Plan-2011" in the Plan or any other ancillary or incidental documents executed thereto, shall mean and be referred to as the "CAGL Employees Stock Option Plan – 2011".

This issues on this 8th day of July, 2020 with the approval of Board of Directors.

CAGL EMPLOYEES STOCK OPTION PLAN – 2011¹

1. SHORT TITLE, EXTENT AND COMMENCEMENT

- 1.1** This Plan shall be called the "**CAGL Employees Stock Option Plan - 2011**" also referred to as "Plan".
- 1.2** The Plan applies only to the Employees (defined hereinafter). It shall be deemed to have come into force on October 1, 2011.

2. OBJECT

- 2.1** This Plan has been adopted by a resolution of the Shareholders of CAGL dated October 30, 2017, with the object of granting, at the discretion of the Company, to such Eligible Employees (defined hereinafter), Options (defined hereinafter) convertible to Shares of CAGL (defined hereinafter) as per the terms of the Plan, and to be allotted Shares of CAGL on Exercise of such Options.
- 2.2** The Plan has been reinstated and ratified by the shareholders of CAGL dated August 11, 2020.

3. DEFINITIONS

In this Plan, unless the context otherwise requires,

- 3.1** "Administrator" means the Company's Nomination and Remuneration Committee which shall delegate some or all of its administrative powers to the ESOP Trust authorized under Section 4 of this Plan and which shall be administering the Plan in accordance with Section 9 of the Plan hereof.
- 3.2** "Applicable Laws" means all applicable laws, bye – laws, statues, rules, regulations , orders ordinances, notifications, protocols, treaties, codes, guidelines, policies, notices, directions, writs, injunctions, judgments, decrees or other requirements or official directive of any court of competent authority or of any competent Governmental Authority (defined hereinafter) or Person acting under the authority of any court of competent authority or of any competent Governmental Authority of the Republic of India, whether in effect on the date of this Plan or

¹ The Nomination & Remuneration Committee and the Board of Directors in their respective Meetings held on July 21, 2023 have approved amendments to Clause 1 - Title, Clause 3 - Definitions, Clause 5 – Nomination & Remuneration Committee, Clause 7.1(ii) – Qualifications of a Trustee of ESOP Trust, Clause 14.1 – Issue of Options, Clause 15.1 – Recording of eligible employee as Registered Owner in respect of ESOP shares, Clause 21.2 – Certificate from Auditors to align with the extant SEBI Regulations and deletion of IPO related Clauses / provisions from the Plan. The same was approved by the shareholders at the AGM held on August 25, 2023. Further, the Nomination & Remuneration Committee and the Board of Directors in their respective Meetings held on June 21, 2024 and July 5, 2024 have approved amendments to sub-clause 13.4 under Clause 13 – Grant of Options and Annexure 1. The same was approved by the shareholders at the AGM held on August 12, 2024.

thereafter.

- 3.3** "Associate Company" shall have the same meaning as defined under section 2(6) of the Companies Act, 2013 as amended from time to time;
- 3.4** "Board" means the Board of Directors of CAGL from time to time, as may be applicable (including a duly constituted committee of the Board).
- 3.5** "Changes in Capitalization" means any increase or decrease in the number of issued Shares resulting from a Stock Split, Reverse Stock Split, stock dividend, combination or reclassification of the Shares or any other increase or decrease in the number of issued Shares effected without receipt of consideration by the Company.
- 3.6** "Company/ CAGL" means Credit Access Grameen Limited a company incorporated under the Companies Act, 1956 (and shall include its successors and permitted assigns).
- 3.7** "Director" shall have the same meaning as defined under section 2(34) of the Companies Act, 2013.
- 3.8** "Eligible Employee" means an Employee, who qualifies for issue of Options under this Plan and who fulfill the conditions as decided by the Nomination and Remuneration Committee.
- 3.9** "Employee" means
- a) An employee as designated by the Company, who is exclusively working in India or outside India; or
 - b) A Director of the Company, whether a whole-time Director or not, including a Non-Executive Director who is not a Promoter or Member of the Promoter Group, but excluding an Independent Director; or
 - c) an employee as defined in sub-clauses(a) or (b), of a Subsidiary company in India or outside India, or of a Holding company of the Company, but does not include -
 - (i) an Employee who is a Promoter or a person belonging to the Promoter Group; or
 - (ii) a Director who either himself or through his Relative or any body corporate, directly or indirectly, holds more than ten percent of the outstanding shares of the Company.
- 3.10** "Employee Shareholder" means the Eligible Employee who is the Registered Owner of the ESOP Shares.
- 3.11** "ESOP" means an employee stock option under the Plan.
- 3.12** "ESOP Pool" mean the total number of Options reserved for making grants to eligible employees under the Plan.
- 3.13** "ESOP Shares" are the Shares for which the Eligible Employee becomes the Registered Owner.

- 3.14** "ESOP Trust" shall mean the GKFSPL ESOP Trust, being a trust established under the provisions of The Indian Trust Act, 1882, having its principal offices at [New No. 49 (Old No. 725), 46th Cross, 8th Block Jayanagar (Next to Rajalakshmi Kalyana Mantapa) Bangalore – 560070], established for the purposes of the implementation of the Plan.
- 3.15** "Exercise" shall mean the act of a written application being made by the Eligible Employee to the Company or to the ESOP Trust for issue of Shares against the Vested Options registered in his/her name as the Registered Owner upon payment of the Exercise Price and applicable taxes and or levies, if any. Exercise can take place as specified after vesting as detailed in Annexure 1 hereto.
- 3.16** "Exercise Period" shall mean the time period after Vesting and as given in Annexure 1 or such other period as may be determined by Nomination and Remuneration Committee in terms of the Plan within which an Employee should Exercise his right to apply for Shares against Vested Options.
- 3.17** "Exercise Price" means, such price as mentioned in Annexure 1, or such amount which may be decided by the Nomination and Remuneration Committee from time to time that shall be paid by an Optionee at the time of Exercise.
- 3.18** "General Meeting" shall have the same meaning as set out in the Companies Act, 2013.
- 3.19** "Grant" means the process by which the Company/ Nomination and Remuneration Committee issues Options under the Plan to the Employee.
- 3.20** "Grant Date" means date on which the Nomination and Remuneration Committee approves the Grant.
- 3.21** "Independent Director" shall have the same meaning assigned to it in Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 3.22** "Initial Public Offer" shall mean an offer of specified securities by an unlisted issuer to the public for subscription and as defined in the SEBI ICDR Regulations.
- 3.23** "Key Managerial Personnel" shall have the same meaning as defined under section 2(51) of the Companies Act, 2013, as amended.
- 3.24** "Merger or Asset Sale" means the buyout of the assets and liabilities of one company by another company in the case of a merger and sale of substantial portion of assets of a company in the case of asset sale.
- 3.25** "Nomination and Remuneration Committee" means a committee of the Board formed in such manner and for such purposes as shall be determined by the Board of Directors of the Company

for the purpose of determining the compensation payable to the employees of the Company from time to time. The Committee shall be constituted as provided under Regulation 19 of SEBI (LODR) Regulations, 2015, as amended or modified from time to time;

- 3.26** "Option/s" means an option granted by the Company/ Nomination and Remuneration Committee pursuant to the Plan to an Employee which gives him/her a right to become the Registered Owner/purchase or subscribe at a future date, the Shares offered by CAGL, directly or indirectly, at a pre-determined price. This is a right but not an obligation granted to an Employee under the Plan to apply for shares of CAGL at the Exercise Price determined earlier, during or within the Exercise Period, subject to the requirements of Vesting.
- 3.27** "Optionee" means an Employee who is the holder/having a right to Exercise an outstanding Option granted pursuant to the Plan but not an obligation to Exercise an Option.
- 3.28** "Permanent Incapacity" means, with respect to a person, a physical or mental impairment of sufficient severity that, in the opinion of the Company, the person is unable to continue performing the duties the person performed before such impairment and that impairment or condition is cited by the Company as the reason for termination of person's employment with the Company.
- 3.29** "Plan" means Employee Stock Option Plan, 2011 or "ESOP 2011" or this CAGL Employee Stock Option Plan 2011.
- 3.30** "Promoter" shall have the same meaning assigned to it under the SEBI ICDR Regulations.
- 3.31** "Promoter Group" shall have the same meaning assigned to it under the SEBI ICDR Regulations: Provided if the Promoter or Promoter Group of the Company is a body corporate, the Promoters of that body corporate shall also be deemed to be Promoters of the Company.
- 3.32** "Registered Owner" means the person as defined under Section 89 of the Companies Act, 2013, as amended.
- 3.33** "Relative" shall have the same meaning as defined under section 2(77) of the Companies Act, 2013, as amended.
- 3.34** "Reverse Stock Split" means the reduction in the number of outstanding shares of the Company due to a Reverse Stock Split.
- 3.35** "SEBI" means the Securities and Exchange Board of India or SEBI.
- 3.36** "SEBI Regulations" shall mean Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended from time to time.
- 3.37** "SEBI ICDR Regulations" shall mean the Securities and Exchange Board of India (Issue of Capital

and Disclosure Requirements) Regulations, 2018 as amended from time to time.

3.38 "SEBI LODR Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.39 "Share/s" means the equity Shares of CAGL, as adjusted in accordance with the Section 12 hereof.

3.40 "Shareholder/ Member" shall mean a person as defined in Section 2(55) of the Companies Act, 2013, as amended.

3.41 "Special Resolution" shall mean as set out in Section 114(2) of The Companies Act, 2013.

3.42 "Stock Split" means the new outstanding Shares of CAGL, resulting from a Stock Split.

3.43 "Subsidiaries" means all the subsidiaries of CAGL, both in India and abroad, whether already incorporated or to be incorporated.

3.44 "Trustee" shall mean the Trustee of the ESOP Trust.

3.45 "Vesting" means the process by which an Employee becomes entitled to receive the benefit of a Grant made to him under the ESOP Plan.

3.46 "Vesting Period" means the period, from the date of Grant of Options till the date on which the Optionee becomes eligible to Exercise the Options.

3.47 "Vested Option" means an Option in respect of which the relevant Vesting Period is over.

3.48 "Unvested Option" means an Option in respect of which the relevant Vesting Period is not over.

3.49 Words and expressions used and not defined in this Plan but defined in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, SEBI (ICDR) Regulations, 2018, Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956 or the Companies Act, 2013 and any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislations.

4. AUTHORISATION TO THE NOMINATION AND REMUNERATION COMMITTEE/ESOP TRUST

4.1 The Board shall, as soon as may be possible, after the date of coming into force of this Plan, authorize the Nomination and Remuneration Committee/ESOP Trust to perform all actions as required for the Administration of the Plan.

5. NOMINATION AND REMUNERATION COMMITTEE

5.1 The Nomination and Remuneration Committee shall formulate the detailed terms and conditions of the Plan which shall include, *inter alia*, the following provisions:

- (i) the quantum of Options per Employee and in aggregate under the Plan;
- (ii) the conditions under which Options may vest in Employees and may lapse in case of termination of employment for misconduct;
- (iii) the Exercise Period within which the Employee can Exercise the Options and that Options would lapse on failure to Exercise the same within the Exercise Period;
- (iv) the specified time within which the Employee shall exercise the Vested Options in the event of termination or resignation of an Employee;
- (v) to accelerate the vesting of Options on a case to case basis, subject to completion of minimum 1 year from the date of grant.
- (vi) the right of an Employee to Exercise all the Options Vested in him at one time or at various points of time within the Exercise Period;
- (vii) the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of Options and to Exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, *inter alia*, be taken into consideration by the Nomination or Remuneration Committee:
 - (a) the number and price of Options shall be adjusted in a manner such that total value to the employee of the Options remains the same after the corporate action; and
 - (b) the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Employee who is Granted such Options;
- (viii) the Grant, Vesting and Exercise of Options in case of Employees who are on long leave; and
- (ix) the procedure for cashless Exercise of Options.

5.1.1 The Nomination and Remuneration Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including SEBI Regulations, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, amended and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the ESOP Trust, the Company and the Employees, as applicable.

6. IMPLEMENTATION OF PLAN THROUGH THE ESOP TRUST

- 6.1** The Company may implement the Plan either directly or through the ESOP Trust subject to the approval of the Shareholders.
- 6.2** The ESOP Trust shall keep and maintain proper books of account, records and documents, for the Plan so as to explain its transactions and to disclose at any point of time the financial position of the Plan and in particular give a true and fair view of the state of affairs of the Plan.
- 6.3** The Trust Deed of the ESOP Trust shall be suitably amended so as to include the minimum provisions as is prescribed by SEBI Regulations, and such Trust Deed has to be mandatorily filed with the stock exchange in India where the Shares of the Company are listed.

7. QUALIFICATIONS OF A TRUSTEE OF THE ESOP TRUST

- 7.1** A person shall not be appointed as a Trustee, if he -
- i. is a director, Key Managerial Personnel or Promoter of the Company or its holding, Subsidiary or Associate Company (to the extent applicable) or any Relative of such Director, Key Managerial Personnel or Promoter; or
 - ii. beneficially holds ten percent or more of the paid-up Share capital or the voting rights of the Company.

Provided where individuals or 'one-person companies' as defined under the Companies Act, 2013 are appointed as trustees, there shall be a minimum of two such trustees, and in case a corporate entity is appointed as a trustee, then it may be the sole trustee.

8. OBLIGATIONS OF A TRUSTEE OF THE ESOP TRUST

- 8.1** The Trustees of the ESOP Trust, which is governed under this Plan and the SEBI Regulations, shall not vote in respect of the Shares held by the ESOP Trust, so as to avoid any misuse arising out of exercising such voting rights in respect of the Shares.
- 8.2** The Trustees should ensure that appropriate approval from the Shareholder/s has been obtained by the Company in order to enable the ESOP Trust to implement the Plan and undertake secondary acquisition for the purposes of the Plan.

The ESOP 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.

- 8.3** For the purposes of disclosures, the Shareholding of the ESOP Trust, if required, shall be shown as non-Promoter and non-public Shareholding.

8.4 The ESOP 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, SEBI Regulations, or any modification or re-enactment thereto.

9. ADMINISTRATION OF THE EMPLOYEE STOCK OPTION PLAN

9.1 The ESOP Pool and aggregate number of Shares that shall be granted under this Plan shall be as determined by the Board/Nomination and Remuneration Committee from time to time.

9.2 The Nomination and Remuneration Committee/ESOP Trust shall administer the Plan.

9.3 The Company through the Nomination and Remuneration Committee has a right to grant Option/s to the Employees. Each Option carries with it the right to apply for and be allotted an equivalent number of Shares of CAGL hereto, at the Exercise price. CAGL has authorized the Nomination and Remuneration Committee to determine the Eligible Employees for Grant of Options. GKFSPL would issue Options to the Employees on the basis of the eligibility criteria of the Plan and the recommendation of the Nomination and Remuneration Committee.

9.4 Notwithstanding anything contained to the contrary in Annexure 1 but however subject to other provisions of the Plan and subject to the approval of the Board and all relevant authorities, the Nomination and Remuneration Committee(s) shall have the authority in its discretion:

9.4.1 To determine the Exercise Price and Exercise Period;

9.4.2 To identify, select, determine and recommend Eligible Employees to whom Options may from time to time be granted hereunder;

9.4.3 To determine the number of Shares to be covered by each such Option granted hereunder;

9.4.4 To determine the Vesting Period.

9.4.5 To approve forms of agreement for use under the Plan;

9.4.6 To determine the terms and conditions, not inconsistent with the terms of the Plan, of any Option granted hereunder.

The Board shall however in consultation with the Nomination and Remuneration Committee / ESOP Trust have the powers:

a. To prescribe, amend and rescind rules and regulations relating to the Plan, and

b. To construe and interpret the terms of the Plan and Options granted pursuant to the Plan.

9.5 The ESOP Trust shall collect the Exercise Price from the Eligible Employee/s on the Exercise of Options by such Eligible Employees. The ESOP Trust shall thereafter transfer the Exercise Price to the Company to enable the Company to allot the ESOP Shares in terms of the Exercise Price to the Eligible Employee/s.

9.6 All decisions, determinations and interpretations of the Nomination and Remuneration Committee/ESOP Trust shall be final and binding on all Optionees.

10. ELIGIBILITY OF EMPLOYEES

10.1 Only bona fide Employees of CAGL as well as all the Subsidiaries/ Holding Company of CAGL, Directors of GKFSPL or its Subsidiaries, either existing or as may be incorporated from time to time, who qualify for issue of Options under this Plan and who fulfill the minimum conditions as decided in the appraisal process are eligible in this Plan.

10.2 The eligibility criteria are mentioned in Annexure 1.

10.3 Notwithstanding anything stated above, where an Eligible Employee is a Director nominated by an institution as its representative on the Board of Directors of the Company –

- (i) The contract or agreement entered into between the institution nominating such Employee as the Director of the Company, and the Director so appointed shall, inter alia, specify the following:
 - a. whether the Grants by the Company under the Plan can be accepted by the said employee in his capacity as Director of the Company;
 - b. that Grant if made to the Director, shall not be renounced in favour of the nominating institution; and
 - c. the conditions subject to which fees, commissions, other incentives, etc. can be accepted by the Director from the Company.
 - i. the institution nominating its employee as a Director of the Company shall file a copy of the contract or agreement with the Company, which shall, in turn file the copy with all the stock exchanges on which its Shares are listed.
 - ii. the Director so appointed shall furnish a copy of the contract or agreement at the first Board meeting of the Company attended by him after his nomination.

11. GOVERNMENTAL REGULATIONS

11.1 This Plan shall be subject to all Applicable Laws, rules and regulations and to such approvals by any governmental agencies as may be required. The transfer / Grant / allotment of Options / Shares under this plan shall entitle the Company to require the Employee to comply with such applicable requirements of Law.

12. GENERAL RISKS

12.1 Participation in the Plan shall not be construed in any way as any guarantee of return on the equity investment. Any Loss due to fluctuations in the price of the Share and the risks associated with the investments is that of the Employee / Optionee alone.

12.2 Participation in the Plan shall not be construed in any way as assurance of continued employment. An Employee who is terminated or not confirmed in employment with CAGL may not challenge this for any reason relating to the Plan, including that had he/she continued in employment with CAGL or its Subsidiaries. Options granted to him/her would have Vested or would have been Exercised by him/her, or Options would have been granted to him/her.

13. GRANT OF OPTIONS

13.1 Options may be granted to Eligible Employees once in every year i.e., in April every year, or at a date chosen by the Board. The Nomination and Remuneration Committee will base the number of Options to be granted to Eligible Employee on the criteria as enumerated in Annexure 1, which shall be subject to revision from time to time.

13.2 The ESOP Pool as originally approved by the Board on October 15, 2011 under the Plan was 18,31,175. The pool was increased to 37,54,208 (Thirty-Seven Lakh Fifty-Four Thousand Two Hundred Eight) Options which was duly adopted in the plan, by the shareholders in their meeting held on June 29, 2016 of which 40,193 (Forty thousand One Hundred Ninety-Three) Options were undertaken not to be granted.

13.3 Further, the ESOP Pool was increased by 37,50,000 (Thirty-Seven Lakh Fifty Thousand) Options by shareholders approval on 11th August, 2020.

13.4 Thereafter, the ESOP Pool is increased by 58,08,600 (Fifty-Eight Lakh Eight Thousand Six Hundred) Options by shareholders' approval on August 12, 2024. Thus, the maximum number of Options, to be granted under the Plan shall not exceed 1,32,72,615 (One Crore Thirty-Two Lakh Seventy-Two Thousand Six Hundred and Fifteen) Options convertible into equal number of Equity Shares of the Company of face value Rs. 10/- each.

13.5 Further, the maximum number of Options that can be granted and the shares arise upon exercise of these options shall stand adjusted in case of issue of shares on rights basis, bonus shares, Consolidation of Shares and Split of Shares. The Company reserves the right to increase or decrease such number of shares as it deems fit, in accordance with the applicable laws.

14. OPTIONS:

14.1 Issue of Options:

- a) The Vesting Period, Vesting conditions, Exercise Price per Option and Exercise Period would be as per the Plan.
- b) Vesting of Options is subject to continued employment of the Optionee with the Company.
- c) Options shall not be transferable by the Employee.

- d) The Options granted to the Employees shall only be convertible into fully paid up Shares at the Exercise Price, as determined by the Nomination and Remuneration Committee.
- e) In the event of an Optionee ceasing to be an Employee of the Company by reason of resignation or termination of employment due to reasons of non-performance or otherwise, all the Un- Vested Options held by the Optionee shall forthwith lapse effective the date of separation.

In case of cessation as a requirement to join another Company in the Group, the Optionee will continue to hold all Vested Options and may Exercise them anytime within the Exercise Period. The Options which are yet to vest, shall vest on the date of such resignation and can be exercised as per the original exercise schedule which would have applied in case the employee had continued with the Company.

- f) In case of Options Vested but not Exercised the Optionee shall have to compulsorily Exercise all the Vested Options to the extent exercisable within the Exercise Period as provided for in the Plan. In the event that the Vested Options are not Exercised within this period, all the un-Exercised Options would lapse.
- g) In the event of death of an Optionee while in employment, all the Options granted to him under the Plan till such date shall vest in the legal heirs or nominees of the deceased employee.
- h) In the event of "Permanent Incapacity" of an Optionee, while in employment, all the options granted to him under a scheme as on the date of permanent incapacitation, shall vest in him on that day.
- i) In the event of an Optionee being transferred from CAGL to a subsidiary, or one subsidiary to another, or from a subsidiary to CAGL at the instance of or with the consent of the Company, the Optionee will continue to hold all Vested Options and may Exercise them at any time within the Exercise Period.
- j) All Unvested Options shall vest as per the Vesting schedule. The Options may be Exercised at any time within the Exercise Period.
- k) In the event of the superannuation / retirement of an Optionee at the instance of or with consent of the Company the Optionee will continue to hold all Vested Options and may Exercise them anytime within the Exercise Period.²
- l) All Unvested Options as on the date of superannuation / retirement shall continue to vest as per the vesting schedule, until and unless the vesting of the options granted is

² Amendments to Clause 14.1(k) was approved by shareholders at the AGM held on August 25, 2023.

accelerated to the last day of his/her employment on a case-to-case basis, subject to the completion of at least 1 (One) year from the grant date, as per the discretion of the Nomination and Remuneration Committee.

Further, all unvested Options as on the date of superannuation / retirement of the Optionee which has not completed one year from the grant date, shall continue to be available for vesting in favour of the Optionee but only after completion of one year from the grant date, subject to the discretion of the Nomination & Remuneration Committee.

- m) For the purposes of the Plan, the Optionee's Service with the Company shall not be deemed to terminate if the Optionee takes any sick leave or any other bona fide leave of absence approved by the Company.
- n) In the event of unauthorized leave beyond 30 (thirty) days, such leave of absence will not be treated as continuous service by an Optionee for the purpose of the Plan and will be treated as a termination of employment. On such termination of employment for the purposes of the Plan, the Unvested Options granted but not vested shall expire.

14.2 Option Exercise:

- a) The Optionee may at his discretion opt for Exercise of all or only some of the Vested Options during the Exercise Period.
- b) However, the Exercise shall be made in a lot of such number of Options as would result in a minimum of 10 equity Shares being converted from Options.

The Optionee shall apply to the Nomination and Remuneration Committee for Exercise of Vested Options in a prescribed Application Form obtainable from the Company along with payment of prescribed Exercise price and applicable taxes.

14.3 Exercise of Option:

Each Option entitles the holder thereof to apply for and the Nomination and Remuneration Committee shall make the Employee the Registered Owner in respect of the ESOP Shares, on payment of the Exercise Price as determined by the Board/Nomination and Remuneration Committee.

Until the Optionee becomes the Registered Owner of the ESOP Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no rights as the Registered Owner in respect of the ESOP Shares shall exist with respect to the ESOP Shares to the Employee Shareholder. Notwithstanding the Exercise of the Option, no adjustment will be made for a dividend or other right for which the record date is prior to the date the ESOP Shares are issued to the Employee upon Exercise, except as provided in Section 16 hereof.

Consequence of failure to exercise option:

The amount payable by the employee, if any, at the time of grant of option, -

- (a) may be forfeited by the company if the option is not exercised by the employee within the exercise period; or
- (b) may be refunded to the employee if the options are not vested due to non-fulfilment of conditions relating to vesting of option as per the ESOS.

14.4 Vesting Period:

- a) In case the Optionee does not Exercise the Vested Options within the Exercise Period they will lapse and no rights will accrue after that date. Notwithstanding anything contained in this Plan, there shall be a minimum Vesting Period of one year. [In the event where Options are granted by the Company under the Plan, in lieu of Options held by a person under the employee's stock option scheme in another company which has merged or amalgamated with the Company, the period during which the Options granted by the transferor company were held by him shall be adjusted against the minimum vesting period of one year].
- b) The Employee may opt for exercising his Options by applying to the Company during the Exercise Period in writing in a specified format.

14.5 ESOP Pricing:

The Exercise Price of the Options and the basis of Pricing will be decided as per Annexure 1 or such other price as decided by the Board/Nomination and Remuneration Committee from time to time.

14.6 Transfer of Options:

The Options held by the Employee are not transferable. The said Options cannot be pledged/ hypothecated/ charged/ mortgaged/ assigned or in any other manner alienated or disposed of.

15. ESOP SHARES

15.1 Recording of the Eligible Employee as a Registered Owner in respect of ESOP Shares.

After the Exercise of the Options and transfer of shares to the Eligible Employee, he/she will be recorded as the Registered Owner of the ESOP Shares and shall become an Employee Shareholder.

15.2 Rights of Employee Shareholder

- i. Subject to realization of the Exercise Price, applicable taxes, compliance of any legal requirement if any prevailing at the time, the ESOP Trust shall proceed to transfer such number of ESOP Shares corresponding to the number of Vested Options Exercised by him / her and the Employee Shareholder shall have all the rights of the Registered Owner of the ESOP Shares.
- ii. The ESOP Shares shall rank pari passu with all other Shares of same class issued by the Company.
- iii. Until the Optionee has become the Employee Shareholder, no right to receive dividend shall accrue to the Employee Shareholder. No adjustment will be made for any dividend or other right for which the record date is prior to the date of transfer of the ESOP Shares to the Employee Shareholder, except as provided in cases of adjustments upon changes in the capitalization, Merger or Asset Sale as provided in this Plan.

16. ADJUSTMENTS UPON CHANGES IN CAPITALISATION, MERGER OR ASSET SALE

16.1 Changes in Capitalization:

16.1.1 Stock Split, Reverse Stock Split, Combination & Reclassification:

Subject to any required action by the shareholders of the Company, the number of Shares covered by each outstanding Option, and the number of Shares which have been authorized for issuance under the Plan but as to which no Options have yet been granted or which have been returned to the Plan upon cancellation, lapse or expiration of an Option, as well as the price per Share covered by each such outstanding Option, shall be proportionately adjusted for any increase or decrease in the number of issued Shares resulting from a Stock Split, Reverse Stock Split, combination or reclassification of the Shares, or any other increase or decrease in the number of issued Shares effected without receipt of consideration by the Company. The conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration". Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of Shares of stock of any class, or securities convertible into Shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of the Shares subject to an Option.

16.1.2 Bonus Issue:

In the event of a bonus issue of securities being made by the Company the said holder would be entitled to apply for and be allotted proportionately higher number of Options, in relation to both Vested and Unvested Options, exercisable on the same terms as of the original Options except the Exercise Price. The per Option Exercise Price of aggregate of original Options and

bonus Options will be the aggregate Exercise Price of the number of Options eligible for Grant of bonus Options divided by the aggregate number of original Options (eligible for bonus Options) and bonus Options. For the purpose of the Vesting Period and Exercise Period, the bonus Options will be treated at par with the original Options on which the bonus Options have been issued. Such higher number of Options allotted to the Optionee would be subject to the same Exercise Period as that of the Original Options.

Under any circumstances the Exercise Price will not be less than the par value per Share.

16.1.3 Right Issue:

In the event of a rights issue of Shares being made by the Company, adjustment, if any, to the Exercise Price and number of Options of the said holder would be decided by the Nomination and Remuneration Committee at its absolute discretion.

16.2 Merger or Asset Sale:

- a. In the event of a Merger of the Company with or into another corporation, or the sale of substantially all of the assets of the Company, each outstanding Option shall be assumed for an equivalent Option substituted by the successor corporation or a parent or subsidiaries of the successor corporation. In the event that the successor corporation refuses to assume or substitute for the Option, the Optionee's unvested Options shall fully vest and the Optionee shall have the right to Exercise the Option as to all of the Options, including ESOP Shares as to which it would not otherwise be vested or exercisable. If an Option becomes fully vested and exercisable in lieu of assumption or substitution in the event of a Merger or Sale of Assets, the Company or Administrator shall notify the Optionee in writing or electronically that the Option shall be fully exercisable for a period of 30 days from the date of such notice, and the Option shall lapse upon the expiration of such period. In the event where ESOP's are granted by the Company in lieu of options held by a person in another company which has merged or amalgamated with the Company, or vice versa, the period during which the options granted by the transferor company were held by the Optionee shall be adjusted against the Vesting Period.
- b. For the purposes of this paragraph, the Option shall be considered assumed if, following Merger or Sale of Assets, the Option confers the right to purchase or receive, for each Share subject to the Option immediately prior to the Merger or Sale of Assets, the consideration (whether stock, cash, or other securities or property) received in the Merger or Sale of Assets by holders of Shares held on the effective date of the transaction (and if the holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the Merger or Sale of Assets is not solely Shares (or their equivalent) of the successor corporation or its parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the Exercise of the Option, for each Share subject to the Option, to be solely Shares (or

their equivalent) of the successor corporation or its parent equal in fair market value to the per share consideration received by holders of share in the Merger or Sale of Assets. Provided the above is subject to SEBI Regulations.

17. TAX LIABILITY/ EMPLOYEE TAXATION:

- 17.1** In the event of any tax liability arising on account of the conversion into ESOP Shares/transfer of ESOP Shares or any other event, to the Employee, the liability shall be that of the said Employee as per the applicable provisions of the Income tax Act, 1961.
- 17.2** At the time of sale of the shares of the Company by the Employee, through stock exchange. Employee has to pay STCG/LTCG at the time of sale as the case may be.
- 17.3** In the event of any tax liability arising on account of the ESOP to the Company, the Company on the advice of the Nomination and Remuneration Committee/ESOP Trust shall have the right to cause the ESOP Shares issuable under this ESOP to be sold or otherwise alienated or to have the Options nullified to meet the liability on behalf of the Employee(s) in the event such tax liability is not paid by the Employee to the Company. It is specifically clarified that the Company shall allow Exercise of Vested Options by the Employee only on such Employee bearing the cost of any tax, more specifically Fringe Benefit Tax.

Employees under the Plan undertake to pay any or all taxes that may arise or accrue to themselves or to the Company on Vesting, Exercise or eventual sale of the Options or underlying Shares as contemplated under this Plan. The Eligible Employees under the Plan further shall agree and undertake to indemnify the Company in respect of any cost, tax or outgo that the Company may incur in this regard.

18. CHANGES IN THE TERMS AND CONDITIONS OF THE PLAN OR OPTIONS:

- 18.1** The Company shall not vary the terms of the Plan in any manner, which may be detrimental to the interests of the Employees:
Provided that the Company shall be entitled to vary the terms of the Plan to meet any regulatory requirements.
- 18.2** Subject to the proviso above, the Company may by Special Resolution in a General Meeting vary the terms of the Plan 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.
- 18.3** The notice for passing Special Resolution for variation of terms of the Plan shall disclose full details of the variation, the rationale therefore, and the details of the Employees who are beneficiaries of such variation.

18.4 A company may reprice the Options or Shares, as the case may be which are not exercised, whether or not they have been vested if the schemes were rendered unattractive due to fall in the price of the shares in the stock market:

Provided that the company ensures that such repricing shall not be detrimental to the interest of the employees and approval of the shareholders in general meeting has been obtained for such repricing.

19. CONFIDENTIALITY:

19.1 The Employee who holds any Options / Shares under the Plan shall not divulge the details of the Plan and his holding to any person except with the prior permission of the Company obtained in writing.

19.2 The Employee shall enter into such agreement, as the Company may desire from time to time, to more fully and effectively implement this Plan.

20. CONTRACT OF EMPLOYMENT:

20.1 The Plan shall not form part of any contract of employment between the Company and the Employee. The rights and obligations of any individual under the terms of his/her office or employment with the Company is independent of, and shall not be affected by, his/her participation in this Plan or any right which he may have to participate in it.

20.2 Nothing in the Plan shall be construed as affording such an individual any additional rights as to compensation or damages in consequence of the termination of such office or employment for any reason.

20.3 The Plan shall not confer on any person any legal or equitable rights against the Company either directly or indirectly or give rise to any cause of action in law or equity against the Company, except to the extent provided in this Plan.

20.4 The Plan is purely at the discretion of the Company.

21. STATUTORY COMPLIANCES

21.1 Accounting Issues:

- i. The Company shall, for the purposes of the Plan, follow 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.
- ii. Where the existing Guidance Note or Accounting Standard do not prescribe accounting treatment or disclosure requirements for the Plan covered under SEBI Regulations then the Company shall comply with the relevant Accounting Standard as may be prescribed by the ICAI from time to time.

21.2 Certificate from secretarial auditors:

The Board shall at each Annual General Meeting place before the shareholders a certificate from the secretarial auditors of the Company that the Plan has been implemented in accordance with SEBI Regulations and in accordance with the resolution of the Company in the General Meeting.

21.3 Disclosures:

In addition to the information that the Company is required to disclose, in relation to Employee benefits under the SEBI Regulation, Companies Act, 2013, as amended, the Board of Directors of the Company shall also disclose the details of the Plan being implemented, as specified by the Companies Act, 2013, as amended and SEBI in this regard.

21.4 "Fair Market Value" per Share shall be determined as follows:

In case the Company is listed in stock exchange, the market price of the Shares at the date of Grant of the Option, as per SEBI Regulations, as amended from time to time.

21.5 Company Taxation:

Currently, there is no taxation implication as far as the Company is concerned.

21.6 SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended and SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended.

These Regulations restrict and prohibit dealings by persons who can be said to be insiders to a listed Company. The prohibited dealings in Shares are those, which are made on the basis of 'unpublished price-sensitive information'. Such insiders, by being close to the Company and being aware of the day-to-day events and Plans of the Company, may deal in the Shares of the Company and profit once the information that is not known to the general public. The SEBI has placed onus of ensuring that proper systems are in place to avoid Insider Trading on the Nomination and Remuneration Committee.

The Company has to obtain an undertaking from the Employee in regard not to indulge in insider trading. The Company should also obtain the undertaking from Employee for not to indulge in fraudulent and Unfair Trade practices relating to Shares of the Company.

21.7 Disclosure in Annual Reports:

The Board of Directors shall, inter alia, disclose either in the Directors report or in the annexure to the Director's report, as per Regulation 14 of the SEBI Regulations, 2021 or as may be prescribed by regulatory authorities from time to time.

22. WINDING UP OF THE ESOP PLAN

22.1 In case of winding up of the Plan being implemented by the Company through the ESOP Trust, the excess monies or Shares remaining with the ESOP Trust after meeting all the obligations, if any, shall be utilized for repayment of loan or by way of distribution to the Eligible Employees as recommended by the Nomination and Remuneration Committee/Trust.

Annexure 1:

Norms Applicable for the Plan

Eligibility Criteria:

All Eligible Employees shall be eligible to participate in the Plan. Such Eligible Employee would necessarily need to be recommended for the Grant of Options by the Nomination and Remuneration Committee/ authorized by the Company for this purpose in order to be issued Options pursuant to the Plan.

Eligibility:

- a. Grade A & B shall not be eligible for ESOP – Exceptional cases to be considered from time to time.
- b. Grade C, D, E to be granted on the criteria of the following:
 - i. Criticality
 - ii. Length of Service
 - iii. Performance
 - iv. Level of seniority
- c. All Grade F & above shall be entitled to ESOP based on performance and criticality.

Vesting:

Granted Options shall vest as follows:

- I. 25% of the Options granted will vest after expiry of 12 months from date of Grant.
- II. 25% of the Options granted will vest after expiry of 24 months from date of Grant.
- III. 25% of the Options granted will vest after expiry of 36 months from date of Grant.
- IV. 25% of the Options granted will vest after expiry of 48 months from date of Grant.

Exercise Period:

An Eligible Employee who was granted Options before August 11, 2020, shall exercise his/her Option during the Exercise Period which shall be any time before the expiry of 48 months from the date on which his entitlement vests at the Exercise price for the Employees who are in continuous service.

An Eligible Employee who would receive grant of Options on & after August 11, 2020, shall exercise his/her Option during the Exercise Period which shall be any time before the expiry of 36 months from the date on which his entitlement vests at the Exercise price for the employees who are in continuous service. In case the Employee resigns from employment of the Company or whose employment is terminated by the Company for any reason whatsoever including Clause 14.1 (m) of the Plan, then Vested Options shall be Exercised within 90 days from the date of relieving from employment.

In case of death of the Optionee as mentioned in Clause 14.1 (g) of the Plan, the Exercise Period shall be 2 years from the date of death.

In case of permanent disability of the Optionee as mentioned in Clause 14.1(f) of the Plan, the Exercise Period shall be 2 years from the date of separation.

In case of superannuation / retirement of the Optionee as mentioned in Clause 14.1(k) of the Plan, the Exercise Period shall be 2 years from the date of retirement.

Exercise price: The Company shall have the freedom to determine the exercise price subject to confirming to the requirements of the Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time.

The Nomination and Remuneration Committee Price shall determine the Exercise on the basis of daily average of the Market price during the 3 (three) months prior to the month in which Grant of Options is made³. Since the Company's shares are listed on more than one stock exchange, the price on the stock exchange having higher trading volume shall be considered as the market price.

Number of Shares to be granted under ESOP Plan:

The ESOP Pool as originally approved by the Board on October 15, 2011 under the Plan was 18,31,175. The pool was increased to 37,54,208 (Thirty-Seven Lakh Fifty-Four Thousand Two Hundred Eight) Options which was duly adopted of the plan by the shareholders in their meeting on June 29, 2016 of which 40,193 (Forty thousand One hundred Ninety-Three) Options were undertaken to be not granted.

Further, the ESOP Pool is increased by 37,50,000 (Thirty-Seven Lakh Fifty Thousand) Options by shareholders on 11th August, 2020 and further by 58,08,600 (Fifty-Eight Lakh Eight Thousand Six Hundred) Options by shareholders on August 12, 2024.

Thus, the maximum number of Options, to be granted under Plan shall not exceed 1,32,72,615 (One Crore Thirty Two Lakh Seventy Two Thousand Six Hundred and Fifteen) Options convertible into equal number of Equity Shares of the Company of face value Rs. 10/- each.

PROCEDURE FOR EXERCISE OF OPTION:

1. Any Optionee for whom the Options are Vested shall have a right to Exercise the same at any time he / she deems fit subject to the terms and conditions of the Plan.
2. An Employee shall Exercise the Option through an Exercise letter duly filled up as per the format set out in herein.

³ Amendments were approved by the shareholders at the AGM held on August 12, 2024.

3. The Company on receipt of such Exercise Option letter shall in consultation with the Board/ Nomination and Remuneration Committee determine the price to be paid for the Exercise of the Option in terms of the Exercise Option letter.
4. The Company shall communicate in writing to the Optionee the price to be paid and also specify that the ESOP Trust is administering the Plan and hence the payments towards the Exercise of Options shall be made in the name of the ESOP Trust and to the bank accounts specified in this regard in the ESOP Trust. The ESOP Trust shall thereafter collect the Exercise Price and transfer the same to the Company transfer the ESOP Shares to the Eligible Employees.
5. The ESOP Trust shall then communicate to the Eligible Employee the bank account details to which the money has to be transferred for the purposes of the transfer of the ESOP Shares from the Company.

On receipt of the consideration for the Options, the Company shall allot ESOP Shares to the Eligible Employee and the Eligible Employee shall become the Registered Owner of the ESOP Shares and thereby becomes an Employee Shareholder.
