Kusumgar Limited

Kusumgar ESOP 2024

Scheme Document

Kusumgar ESOP 2024

This Plan (*defined hereunder*) has been formulated and approved by the Board (*defined hereunder*) of Kusumgar Limited ("**Company**") at its meeting held on October 1, 2024, subject to the authority vested in it by, and approval of, the shareholders of the Company by way of special resolution passed on October 22, 2024 at the Extra Ordinary General Meeting of the Company and further amended by the Board at its meeting held on June 10, 2025, and by the shareholders of the Company by way of special resolution passed on June 16, 2025 at the Extra Ordinary General Meeting of the Company.

1. Name and Objectives of the ESOP

1.1 This Employee Stock Option Plan has been formulated for and on behalf of Kusumgar Limited (CIN: U65990MH1990PLC056871, incorporated in India) (formerly known as Kusumgar Corporates Private Limited and thereafter, Kusumgar Private Limited) and shall be called the '**Kusumgar ESOP 2024**' ("**the Plan**").

1.2 The objectives of the Plan is to enable the employees of the Company Group, to get a share in the value that they help to create for the Company over a period of time and to attract and retain talented people, who add to the strength of the Company.

1.3 This Plan is established with effect from 22nd October, 2024 and shall continue to be in force until (i) its termination by the Board, or (ii) the date on which all of the Options available for issuance under the Plan have been Granted and exercised / lapse / cancelled, whichever is earlier. It is clarified that if the Plan is terminated by the Board, the Plan will continue to be live as regards the Options already issued, and remaining outstanding, until such Options have either been Exercised, or have lapsed / been cancelled in accordance with the Plan.

2. Definitions and Interpretations

2.1 The following definitions shall apply to the Plan , unless otherwise stated:

Definition	**Meaning assigned**
Applicable Laws	means any law, bye-law, legislation, subordinate or delegated, statute, regulation, rule or order, in India and the applicable laws of any other country or jurisdiction where the employee stock Options are granted under the Plan, as amended, modified, consolidated or replaced, from time to time, relating to stock options and applicable to the Company. Post Listing or as required prior to Listing, the regulations of the Securities and Exchange Board of India, including but not limited to SBEB & SE Regulations and any stock exchange specific regulations including the listing agreement with the stock exchanges where the Shares are listed, shall also be applicable.
Articles	mean the constitution or the articles of association (as applicable) of the Company as amended from time to time.
Board	means the board of directors of the Company.
Cause	means any of the following acts or omissions by an Employee in addition to any provisions prescribed in the offer or terms of employment amounting to misconduct or breach of terms of employment as determined by the Committee after giving the Employee an opportunity of being heard: i. Gross misconduct (which shall include but is not limited to a fundamental breach of contract or any conduct which brings disrepute / disgrace to the Company Group); ii. Material breach of safety rules of the Company Group or as under

	Applicable Laws; iii. Conviction by any court of law or any other adjudicating authority; iv. Theft (whether before or after the date of employment contract); v. Fraud, misappropriation, or embezzlement of funds of the Company Group (whether before or after the date of employment contract); vi. Being under the influence of alcohol or drugs or similar substances, during the work hours or working periods; vii. abandonment of services; viii. Violation of material terms of employment or flagrant / blatant failure to follow Company Policies; ix. Wilful and continued failure to substantially perform duties as contracted with the Company Group (other than such failure resulting from being disabled), within reasonable period of time after a written demand/notice for substantial performance is delivered to Employee by the Company; x. Wilful dishonesty and/or engagement in conduct which is demonstrably and materially injurious to the Company Group, monetarily or otherwise; xi. Engaging (whether before or after the date hereof) in egregious / gross misconduct involving serious moral turpitude to the extent that, in the reasonable judgment of the Company, the credibility and reputation of the Option Grantee no longer conforms to the standards of the Company Group's executives/Employees; xii. termination of employment of the Option Grantee by the employing entity for reasons relating to performance of such Option Grantee or otherwise and such determination by the Board and/or the Company and/or the employing entity; and xiii. any other action(s) of the Option Grantee, that, in view of the Board and/or employing entity (as the case may be) is disruptive or detrimental to the functioning and/ or reputation of the Company Group, whether directly or indirectly.
Committee	Means, Prior to Listing, a committee of Directors appointed by the Board in accordance with Section 4 of the Plan. post Listing, the committee constituted or reconstituted by the Board to act as the 'compensation committee' for the purposes of Regulation 5 of the SBEB & SE Regulations, which shall include the Nomination and Remuneration Committee of the Board, with a view to administer and supervise the employee stock option plans of the Company, implemented from time to time, including this Plan.
Company	means Kusumgar Limited, incorporated in India (CIN: U65990MH1990PLC 056871), (Formerly known as Kusumgar Corporates Private Limited and thereafter Kusumgar Private Limited) having registered office at 101, Manjushree, V.M. Road, Corner of N. S. Road No 5, JVPD Scheme, Vile Parle (W), Mumbai MH 400056.

Company Group	Prior to Listing, means the Company, and its Subsidiaries. Post Listing means the Company, and **its** Group companies, Holding Company, Subsidiaries and Associates. For added clarity, the terms "Associate Company", and "Group" shall have the meaning as provided to such terms under the SBEB & SE Regulations, and the terms "Subsidiary Company" and "Holding Company" shall have the meaning as provided to such terms under the Companies Act, 2013.
Company Policies	mean the Company's and Company Group's (as applicable) policies for its employees, including employees of its subsidiaries, and the terms of employment contained in the employment letter and any other rules / byelaws issued from time to time.
Corporate Action	Means an action as designated by the Committee as a 'Corporate Action' and may include the following events: i. rights / bonus issue; ii. reorganisation of the Shares; iii. restructuring of the share capital of the Company; iv. Other reorganization of the Company in which the Shares are converted into or exchanged for: (a) a different class of securities of the Company, (b)any securities of any other issuer, or; (c) cash, or (d) other property; v. Sale, lease, or exchange of all or substantially whole of the assets / undertaking of the Company to any other company or entity; vi. Bankruptcy proceedings against the Company; vii. Adoption by the shareholders of the Company of a scheme of liquidation, dissolution or winding up; and viii. Adoption by the shareholders of the Company of a scheme of merger or demerger of the Company.
Current Shareholder	means a person, whether a natural individual, trust, or a corporate entity, holding Shares in the paid-up equity share capital of the Company at the relevant point of time and the plural of term Current Shareholders refers to all such Current Shareholders of the Company.

Definition	Meaning assigned
Director(s)	means a director on the Board of the Company.
Eligibility Criteria	means the criteria as may be determined from time to time by the Committee for granting the Options to the Employees.
Employee	Prior to Listing, means (a) a permanent employee of the Company who has been working in India or outside India; or (b) a director of the company, whether a whole time director or not but excluding an independent director; or (c) an employee as defined in clauses (a) or (b) of a Subsidiary Company, in India or outside India, 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 through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company. Post Listing means (i) the employees, as designated by the Company, who is exclusively working in India or outside India; or (ii) a Director, whether a whole-time director or not, including a non-executive director; or (iii) an employee as defined in sub-clauses (i) or (ii), of a Group company including its Subsidiary Company, or its Associate Company, in India or outside India, or of its Holding Company. An employee shall not cease to be so in case of (a) any leave of absence approved by the Company or its subsidiary (as applicable) or (b) transfers between locations of the Company or between the Company and the Company Group or any successor/assignees. For the purposes of this Plan, the definition of Employee shall exclude: a. an Employee or Director, who is a Promoter or belongs to the Promoter Group; b. an Independent Director; and c. Any such Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company.
Employee Shareholder	means any person (whether an Option Grantee or a Nominee or Person inheriting such Shares from the Option Grantee / Nominee) who is holding Shares (directly or indirectly) arising pursuant to their Exercise of Options under the provisions of this Plan.
Exercise / Exercising / Exercisable / Exercised	means communication of the intention by an Option Grantee to the Committee to subscribe to / purchase the Shares underlying the Options Vested in him, in pursuance of the Plan, in accordance with the procedure laid down by the Company for Exercise of such Options.

Exercise Period	means such time period after Vesting within which the Option grantee may elect to Exercise the Options Vested in him in pursuance of the Plan.
Exercise Price	means the price payable by the Option Grantee for the Exercise of each Option Granted under the Plan for the allotment of one Share as provided under this Plan and/or the Letter of Grant.
Grant / Granted / Granting	means issue of Options to the Employees under the Plan.
Letter of Grant	means the letter issued by the Company by which Grant of Option(s) is communicated to the Employee identified by the Committee, containing the terms and conditions specific to the Grant of Options, including but not limited to the number of Options Granted, Exercise Price, number of Shares allotted on the payment of Exercise Price, Exercise Period and applicable taxes;
Listing	means the listing of the Company's Shares on any recognized stock exchange including by way of initial public offering of Shares of the Company as per Applicable Laws.
Liquidity Event	shall mean any event which the Board may designate as a Liquidity Event for the purpose of this Plan.
Market Price	means Prior to Listing, the value of an Equity Share as arrived by multiplying the weighted average of earnings per share on a fully diluted as if converted basis of the previous 3 audited financial years of the Company with 10. The latest previous year having the highest weight. The earnings mentioned above to specifically exclude exceptional items or incomes of extraordinary nature or from sale of assets or undertakings of the Company. Post Listing, the term shall mean 'Market Price' as defined under the SBEB & SE Regulations.
Nominee	i. an individual appointed by the Option Grantee by submitting a letter in the form specified by the Committee in this regard, which may be revoked or changed by the Option Grantee any time prior to the Exercise of Options; or ii. if no such nomination has been made in accordance with (i) above or if the individual nominated is not surviving, then in the following order of priority and to the exclusion of the other, a. the spouse and/or children of the Option Grantee (*represented in equal proportions*); b. parents of the Option Grantee (*represented in equal proportions*); c. siblings or next of kin of the Option Grantee; or d. the legal heirs of the Option Grantee under Applicable Law.
Option Grantee	means an Employee who has been Granted Options in pursuance of the Plan via a Letter of Grant, and who has agreed to abide by the terms and conditions of this Plan and the Letter of Grant. This shall deem to include the Nominee of an Option

Definition	Meaning assigned
	Grantee to the extent provisions of the Plan are applicable to such N.
Permanent Disability	means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Board based on a certificate of a medical expert identified by the Board.
Promoter	means the same meaning assigned to it under the Act or the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as applicable
Promoter Group	the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. Provided that where 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;
Plan	means the Kusumgar ESOP 2024 (i.e. this document) under which the Company is authorized to Grant Stock Options to the Employees.
Retirement	means retirement as per the Company Policies.
SBEB & SE Regulations	means the Securities and Exchange Board of India (Share Base Employee Benefits and Sweat Equity) Regulations, 2021.
Shares	means fully paid up equity shares of the Company having face value of INR 1/-.
Shareholder	means a person who is registered as a shareholder in the register of shareholders maintained by the Company.
Stock Option or Option	means an option Granted to an Employee which gives such Employee a right, but not an obligation, to purchase or subscribe to, at a future date, Shares underlying such option at a pre-determined price in accordance with the Plan and their Letter of Grant. One Option shall entitle the Option Grantee to one Share.
Unvested Option	means an Option Granted in respect of which the relevant Vesting Conditions have not been satisfied and as such, the Option Grantee has not become eligible to Exercise the Option.
Vested Option	means an Option in respect of which the relevant Vesting Conditions have been satisfied, and the Option Grantee has become eligible to Exercise the Option subject to fulfilment of Exercise conditions.
Vesting / Vest / Vested	means earning by the Option Grantee, of the right to Exercise the Options Granted to him in pursuance of the Plan, by fulfilment of the Vesting Conditions.

Vesting Condition	means the conditions prescribed (time or performance based) subject to satisfaction of which the Options Granted would Vest in an Option Grantee.
Vesting Date	in relation to an Option, means the date on which the Option has Vested
Vesting Period	means the period between the date of Grant of Options, and the Vesting Date.

2.2 Interpretation: In this Plan, unless the contrary intention appears:

a. the clause / section headings are for ease of reference only and shall not be relevant to interpretation;

b. reference to a clause or section number includes reference to its sub-clauses;

c. words in singular number include the plural and vice versa;

d. words importing a gender include any other gender; and

e. reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.

f. references in this Plan to statutory provisions shall be construed as references to those provisions as modified or re-enacted from time to time (whether before or after the date of this Plan) and to any subordinate legislation made under such provisions and shall include references to any repealed statutory provision which has been so re-enacted (whether with or without modification).

Words and expressions used and not defined here but defined under any applicable laws including any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in that legislation, as the context requires.

3. Authority

3.1 Subject to **Clause 3.4** below, the maximum number of Options which may be Granted, and thereby the maximum number of Shares that may be allotted, under the Plan is [1]**25,37,250 ("Plan Pool").** These may be Granted in one or more tranches, from time to time under the Plan.

3.2 The maximum number of Options that may be Granted to each Employee shall vary depending upon the designation and the appraisal/assessment process and the Committee reserves the right to decide the number of Options to be Granted and the maximum number of Options that can be Granted to each Employee in any tranche, subject to the Plan Pool.

3.3 If an Option expires, is cancelled, or becomes un-Exercisable due to any other reason, it shall revert to the Plan Pool and become available for future Grants, subject to compliance with all Applicable Laws.

3.4 In case of any Corporate Action, specifically a restructuring of the share capital of the Company, the Committee may, in its sole and absolute discretion, adjust the Plan Pool so as to ensure that the value of Shares and/or Options proposed to be offered under the Plan prior to such Corporate Action, remains the same as prior to the Corporate Action.

3.5 Prior approval of Shareholders by way of special resolution in the general meeting shall be obtained in case the Grant of Options to any identified Employee is equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option.

4. Administration

4.1 The Plan shall be implemented as per the provisions hereunder and Applicable Law.

4.2 The Plan shall be administered by the Committee. The Committee is authorized to implement, manage, operate and/ or administer the Plan, and delegate any administrative responsibilities as may be required to implement this Plan.

4.3 All questions of interpretation of the Plan including any dispute, discrepancy or disagreement which may arise under or as a result of or pursuant to or in connection with the Plan, shall also be determined by the Committee and such determination / decision / interpretation by the Committee shall be final and binding upon all persons having interest in the Plan.

[1]*The ESOP Pool of the Company has been increased to 25,37,250 Options of Re.1/- each vide resolution passed in an EGM dated September 4, 2025.*

4.4 The Committee may correct any defect, omission or reconcile any inconsistency in the Plan in the manner and to the extent the Committee deems necessary or desirable and to resolve any difficulty in relation to implementation of the Plan subject to Applicable Law. The Committee shall not be liable for any action or determination made in good faith with respect to the Plan or any Option Granted there under.

4.5 With regard to the matters specifically not provided for in this Plan or any other documents that may be issued in connection with the Options, the Committee shall have an absolute discretion to decide such matters, in the manner deemed fit by them in the best interests of both the Employees and the Company Group, as may be permissible under the Applicable Law. The decision of the Committee shall be final and binding on all persons having an interest in the Plan or such Option(s), including the Employees and the Option Grantees.

4.6 The Committee shall in accordance with (i) this Plan; and (ii) Applicable Law, determine matters in relation to the administration and implementation of the Plan, including but not limited to the following:

a. the Eligibility Criteria, the Employees to whom a Grant may be made, and who shall become the Option Grantees;

b. the quantum of Options to be Granted under the Plan to the Employees subject to the ceiling as specified in this Plan;

c. the performance parameters for Grant and/or Vesting of Options to an Employee, and modify the same as and when required;

d. the Vesting and/or lock-in-period of the Grant made to any Option Grantee and/or any conditions subject to which such Vesting may take place, and modify the same as and when required;

e. assess the performance of an Employee for Granting of the Options;

f. the number of Options to be Granted, to each Employee and in the aggregate, and the times at which such Grants shall be made, and modify the same as and when required;

g. the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of Options and to the Exercise Price in case of Corporate Actions in accordance with the SBEB & SE Regulations:

h. the procedure and detailed terms for the Grant, Vest, and Exercise of Options in case of Option Grantees in general and in case of Option Grantees on long leave, sabbatical or have been seconded to any other company by the Company;

i. the method which the Company shall use to value its Options;

j. the Exercise Price and Exercise Period in accordance with the Plan;

k. provide for the right of an Option Grantee to Exercise all the Options Vested in him at one time or at various points of time within the Exercise Period;

l. the procedure for cashless Exercise of Options, if required;

m. the mode of payment of the Exercise Price (cheque, demand draft, deduction from salary, or any other mode);

n. provide for and decide the events and circumstances which may trigger any malus and claw back provisions;

o. the procedure for funding for Exercise of Options, as permitted under the Applicable Laws;

p. approve forms, writings, and/or agreements, required to be issued by / to the Board / Committee in pursuance of the Plan;

q. determine the procedure for buy-back of Options granted under the Plan if to be undertaken at any time by the Company, and the applicable terms and conditions, including: (i) permissible sources of financing for buy-back; (ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and (iii) limits upon quantum of Options that the Company may buy-back in a financial year

r. frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the Company, and its Employees, as applicable; and

s. such other matters in respect of which the Committee is required to formulate terms and conditions under Applicable Law.

5. Eligibility and Applicability

5.1 Options may be Granted to Employees, as defined in Section 2 of the Plan .

5.2 The Committee, shall formulate the Eligibility Criteria and the details of the specific Employees to whom the Options would be granted.

5.3 The Options Granted to an Option Grantee shall be subject to the terms and conditions set forth in this Plan and their respective Letter of Grant.

6. Grant and Acceptance of Grant

6.1 Each Grant of Option under the Plan shall be made in writing by the Company to the eligible Employee fulfilling the Eligibility Criteria in a Letter of Grant as may be approved under the Plan from time to time.

6.2 An offer made under this **Clause 6** is personal to the Employee and cannot be transferred in any manner whatsoever.

6.3 The Letter of Grant shall contain such details and terms and conditions as may be required by the Committee including, but not limited to the following:

a. The number of Options Granted;

b. Date of Grant;

c. Vesting Conditions and Vesting Period;

d. Terms and conditions of Exercise (in addition to terms as mentioned in this Plan);

e. Exercise Period and schedule;

f. Treatment of Options (Vested and Unvested) upon termination of employment; and

g. malus and clawback clauses (if any).

6.4 Any Employee who wishes to accept the Grant made under this Plan must deliver to the Company a duly signed acceptance of the Letter of Grant on or before the date as specified in the Letter of Grant, which shall not be more than 30 days from the date of the Grant,. On receipt by the Company of the signed acceptance, the Employee as applicable, will become an Option Grantee.

6.5 Any Employee who fails to deliver the signed acceptance of the Letter of Grant on or before the Closing Date stated above shall be deemed to have rejected the Grant unless the Board determines otherwise.

6.6 Upon acceptance of the Grant in the manner described above, the Employee henceforth referred to as an Option Grantee, shall be bound by the terms, conditions and restrictions of the Plan and the Letter of Grant. The Option Grantee's acceptance of the Grant of Options under the Plan , within the time period provided, shall constitute a contract and agreement between the Option Grantee and the Company, to the terms of this Plan and the Letter of Grant.

6.7 *Rights with respect to Options*

a. The Options cannot be assigned, alienated, pledged, attached, hypothecated, sold, or otherwise transferred or encumbered by the Option Grantee except under the circumstances provided under **Clause 14.7** herein. Any purported assignment, alienation, pledge, attachment, sale, transfer, or encumbrance not permitted herein shall be void and unenforceable against the Company.

b. Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a Shareholder (for example: bonus shares, rights shares, dividend, voting, etc.) in respect of any Shares covered by the Grant, and accordingly, no Option Grantee shall have a right to receive any dividend, vote at any general meeting of the Company or in any manner enjoy the benefits of a Shareholder in respect of the Shares underlying the Options Granted, whether Vested or Unvested.

7. Vesting Conditions

7.1 Subject to the provisos to this **Clause 7.1** and **Clause 8.2(b)** of this Plan, Options Granted under this Plan shall Vest in the manner and in accordance with the Vesting Conditions and Vesting Period as provided in the Letter of Grant.

Provided that the Options shall be subject to a minimum vesting period of one (1) year or the minimum mandated period as per the SBEB & SE Regulations. The minimum Vesting Period shall not apply to cases of separation from employment due to death and Permanent Disability and in such instances, the Options shall vest on the date of death or Permanent Disability.

Provided that in case where Options are Granted by the Company under the Plan in lieu of options held by a person under a similar plan in another company ("**Transferor Company**") which has merged or amalgamated with the Company, the period during which the options granted by the Transferor Company were held by him may be adjusted against the minimum Vesting Period required under this clause, at the discretion of the Board.

7.2 In addition to the Vesting Conditions provided in the Letter of Grant, the Vesting of Options would be subject (i) to continued employment with the Company Group ; (ii) the Option Grantee not having served any notice of resignation as on the Vesting Date; and (iii) absence of disciplinary proceedings pending against the Option Grantee on the Vesting Date.

7.3 **Notwithstanding anything to the contrary stipulated in this Plan / Letter of Grant**, Options in respect of which the Vesting Conditions as laid down in the Plan or the Letter of Grant, as the case may be, have not been satisfied shall automatically lapse and the contract referred to in **Clause 6.6** shall automatically be terminated without any obligations whatsoever on the Company and no rights in that regard will accrue to the Option Grantee after such date– with respect to the lapsed Options. Such lapsed Options shall revert to the Plan Pool and may be granted at the discretion of the Committee to any other Eligible Employee.

8. Exercise

8.1 <u>*Exercise Price*</u>

The Exercise Price shall be such price, as determined by the committee from time to time and as evidenced in the Letter of Grant unless subsequently modified by the Board.

8.2 <u>*Exercise Period and Conditions*</u>

a. ***While in employment / service***

Prior to Listing, the Vested Options with an Option Grantee may be Exercised only upon or in connection with declaration of a Liquidity Event, in whole or in part, in accordance with the Plan , and instructions by the Board or its Committee, in relation to such event and as detailed in Section 9 below. The Exercise Period shall be the period as notified by the Board in relation to the Liquidity Event.

Post Listing, the Exercise Period shall be as determined by the Committee and as detailed in the Letter of Grant, subject to a maximum Exercise Period of 10 years.

b. ***Exercise Period in case of separation from employment***

In case of separation from the employment or services, the (i) Vested Options may or may not be Exercised; and (ii) the Unvested Options shall be treated and Exercised, in accordance with the provisions outlined herein below

S. No.	Cause of Separation	Treatment of Vested Options	Treatment of Unvested Options
1	**Resignation / Termination** (other than due to Cause)	All the Vested Options as on date of submission of resignation / date of termination (as determined by the Committee) can be Exercised by the Option Grantee (i) if prior to Listing, in the occurrence of the Liquidity Event, or (ii) if post Listing, before their last working day	All the Unvested Options as on date of submission of resignation/ date of termination (as determined by the Committee) shall stand **cancelled** with effect from that date unless determined otherwise by the Committee.
2	**Retirement**	All the Vested Options as on date of Retirement (as determined by the Committee) can be Exercised by the Option Grantee (i) if prior to Listing, on the occurrence of the Liquidity Event, or (ii) if post Listing, within their stipulated Exercise Period.	All the Unvested Options as on date of Retirement (as determined by the Committee) shall continue to Vest in accordance with the respective original Vesting schedules. On the subsequent Vesting of the Options, they can be Exercised (i) if prior to Listing, on the occurrence of the Liquidity Event, or (ii) if post Listing, within a period of 6 (six) months from the Vesting Date.
3	**Termination due to Cause**	All the Vested and Unvested Options at the date of such termination (as determined by the Committee) shall stand **cancelled** with effect from the date of such termination.	
4	**Death**	All the Vested Options as on date of death can be Exercised by the Option Grantee's Nominee, (i) if prior to Listing, on the occurrence of the Liquidity Event, or (ii) if post Listing, within their stipulated Exercise Period	All the Unvested Options as on the date of death of the Option Grantee shall be deemed to Vest immediately and may be Exercised as per provisions applicable for Vested Options.
5	**Termination due to Permanent Disability**	All the Vested Options as on date of Permanent Disability can be Exercised by the Option Grantee's Nominee, (i) if prior to Listing, on the occurrence of the Liquidity Event, or (ii) if post Listing, within their stipulated Exercise Period	All the Unvested Options as on the date of Permanent Disability of the Option Grantee shall be deemed to Vest immediately and may be Exercised as per provisions applicable for Vested Options.

6	Transfer within the Company Group	The Exercise Period shall be as provided in the Letter of Grant in normal circumstance. In case of subsequent separation, treatment of Vested Options shall be as per applicable circumstances mentioned in this table.	The Unvested Options shall continue to Vest as per the original Vesting Conditions and Exercise Period shall be as provided in the Letter of Grant in normal circumstance. In case of subsequent separation, treatment of Unvested Options shall be as per applicable circumstances mentioned in this table.
7	Termination/ separation due to any other reason apart from those mentioned above	The Committee shall decide if the Vested Options as on the relevant date can be Exercised by the Option Grantee and shall also determine the Exercise Period of such Vested Option (if applicable) and such decision of the Committee shall be final.	All Unvested Options on the date of such termination (as determined by the Committee) shall stand cancelled with effect from such date.

8.3 *Procedure for Exercise of Option (Post Listing)*

a. Each Option entitles the Grantee thereof to apply for and be allotted, one Share of the Company, on the payment of the Exercise Price at any time during the Exercise Period.

b. An Option shall be deemed to have been Exercised when –

- The Committee, receives the Exercise application in the manner as previously directed by them;

- the Company, receives full payment of the Exercise Price and all such taxes applicable thereon for the Shares underlying the number of Options Exercised by the Option Grantee. Such payment shall be made either by or through a demand draft, online payment / wire transfer of funds, deduction of such amount from salary of the Option Grantee due and payable or in such other manner as the Board and/or the Committee, may approve from time to time.

c. The Committee shall cause within a reasonable period of time of the completion of (b) above, the Company to allot, such number of Shares underlying the Vested Options as are Exercised, to the Option Grantee.

8.4 The Committee may require the execution of such documents as may be mandated under Applicable Law or by the Committee to pass a valid title of the relevant Shares to the Option Grantee, free and clear of any liens, encumbrances and transfer restrictions save for those set out therein.

8.5 If the Exercise of Options within the Exercise Period, is prevented by any Applicable Law in force, the Board or the Committee shall defer or not permit the Exercise of Options till such time as it is prohibited by the Applicable Law and in such an event the Company shall not be liable to pay any compensation or similar payment to the Option Grantee for any loss suffered due to such refusal.

9. Exercise in case of Liquidity Event:

Except as expressly permitted under this **Clause 9** of the Plan, Shares allotted the Employee, shall not be assigned, alienated, pledged, attached, hypothecated, sold, or otherwise transferred or encumbered **until the Listing**.

a. ***Listing***

Prior to filing of red-herring prospectus required to enable the Listing, the Committee may amend the Plan, in accordance with the Applicable Law including regulations enacted by SEBI (including the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021) to comply with pre and post listing requirements.

Prior to (at a date identified by the Committee), or upon Listing of Shares on the Stock Exchange(s), the Company shall provide to the Option Grantee s, the timeline and process for Exercise of the Options.

b. ***Other Liquidity Events***

The Board or its Committee (as the case may be) shall have full discretion in determining the terms and conditions for Exercise of the Options held by the Option Grantee, including specifying the maximum number of Options that can be Exercised in any such Liquidity Event, the Exercise Period, the procedure for Exercise of such Options and the treatment of the Unvested Options.

If an Option Grantee fails for any reason to take any of the actions required to enable the Liquidity Event, he / she shall be deemed to have appointed any Company Director nominated by the Board as his / her attorney, on his/her behalf and in his / her name, with full power, to execute, complete and deliver any document or instrument or to take any other action, including to receive the proceeds of the sale and to give good quittance for the sale price in order to complete the said Liquidity Event. The Option Grantee shall confirm and ratify the acts of such Company Director acting as his attorney under this Sub-clause.

c. ***Drag Rights***

Please note that this provision shall fall away post Listing.

1. Prior to Listing, the Current Shareholders shall have the right but not an obligation to drag-along, to drag (a) the Shares held by the Option Grantees, or (b) the Shares underlying any

Vested Options, upon issuance of the written notice by the Current Shareholders through the Committee, setting out the salient feature of the Liquidity Event and details of the terms and conditions including number of Shares to be dragged-along, price per Share, Exercise Period, the manner and mode of transfer of Shares, and the Option Grantees holding Vested Options ("**Drag-along Notice**") ("**Drag Process**").

2. The Drag Process shall be on terms not less favourable than those provided to the Shares held by the Current Shareholders.

3. Identified Option Grantees holding Vested Options are obligated to Exercise such Vested Options and participate in the Drag Process as laid out hereunder, and offer to sale, in accordance with the Drag-along Notice, the Shares subject to the Drag Process.

4. The Option Grantees shall take all necessary and desirable actions, including executing agreements and instruments and taking other actions as may be reasonably necessary and shall provide the representations, warranties, indemnities, covenants, conditions and other provisions and agreements, required to participate in the Liquidity event, including receiving the sale proceeds.

5. If an Option Grantee fails to take any of the actions that he would be obligated to take including Exercise of Vested Options, the Vested Options shall lapse and stand cancelled.

The Options not Exercised within the Exercise Period shall lapse and the Option Grantee shall have no right over such lapsed or cancelled Options.

10. Transferability Of Shares

10.1 Post Listing, the Shares transferred to the Option Grantee upon their exercise of Options shall be freely transferable and shall not be subject to any lock-in period restriction after allotment, however, the same shall be subject to such restrictions as may be prescribed under Applicable Laws and the policies and the Articles of Association of the Company.

10.2 **Provided that** the Shares allotted on such Exercise cannot be sold for such further period or intermittently as required under the terms of the 'Code of Conduct for Prevention of Insider Trading' of the Company framed under Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

11. Surrender Of Options

11.1 An Option Grantee may at any time, by way of written request to the Committee, surrender any or all of his Vested or Unvested Options to the Company. The Committee on receipt of such request, shall consider it and may cancel such surrendered Options vis-à-vis the Option Grantee. Options so surrendered by the Option Grantee and cancelled by the Committee will revert to the Plan Pool.

11.2 The Company shall not be liable or obligated to pay any compensation to the Option Grantee on account of his surrender of the Options and shall not have any further obligations towards the Option Grantee in respect of such surrendered Options.

12. Deduction of Tax

12.1 The liability of paying taxes, if any, in respect of Options Granted pursuant to this Plan and the Shares issued pursuant to Exercise thereof shall be entirely on Option Grantee and shall be in accordance with the provisions of the applicable Income tax Laws read with rules issued thereunder and/or Income Tax Laws of respective countries as applicable to eligible Employees working abroad, if any.

12.2 Notwithstanding anything in the Plan to the contrary, prior to the allotment of Shares or cash (in case of a cashless exercise of Options as per the Plan) pursuant to an Exercise, the Company (or the employing entity) will have the right to deduct, withhold or recover all taxes payable either by itself or by the Option Grantee / Employee Shareholder, in connection with all Grants / Options / Shares under this Plan.

12.3 The Company shall have the right to deduct / withhold / recover such taxes by way of (i) deduction at source in connection with all Grants / Options / Shares / transfer of Shares under this Plan, i.e. from payroll / salary / sale proceeds; or (ii) requiring the Option Grantee / Employee Shareholder to remit to the Company (or the employing entity), an amount sufficient to satisfy such taxes; or (iii) through a cashless exercise procedure as provided in this Plan.

12.4 In case of non– continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.

12.5 The Company shall have no obligation to deliver Shares until the Company's tax deduction obligations, if any, have been satisfied by the Option Grantee in full. The Company shall have no obligation to deliver Shares until tax deduction obligations, if any, have been satisfied in respect of/by the Option Grantee.

12.6 The Option Grantee agrees that he shall not have any right to Exercise the Options if the tax obligations as detailed in this **Clause 16** are not completed to the sole satisfaction of the Company.

12.7 The Option Grantee will be required to bear the cost of any stamp duty obligation arising on the Company on the transfer of the Shares as contemplated in **Clause 9**.

13. Authority to vary terms.

13.1 Subject to Applicable Law, specifically the SBEB & SE Regulations, the Board, shall at its absolute discretion, have the right to vary / modify / amend the Plan, and the Board and/or the Committee shall have the right to vary / modify / amend terms of the Options already Granted under the Plan, in such manner and at such time or times as it may deem fit, subject however that any such modification / amendment shall not be detrimental to the interests of the Option Grantees.

Provided that the Board and/or Committee shall be entitled to vary the terms of the Plan and/or terms of the Options already Granted under the Plan, to meet any regulatory requirement whether in Indian or abroad without seeking shareholders' approval by way of a special resolution.

13.2 No member of the Committee shall be primarily liable for any decision or action taken in good faith with respect to this Plan.

14. Miscellaneous

14.1 *Corporate Action*

Subject to Applicable Law, in the event of change in control of the Company or Corporate Action, a Grant made under the Plan shall be subject to adjustment by the Committee at its discretion including but not limited to the number of Options, Vesting criteria, Exercise Price or cancellation of Options (whether Vested or Unvested) in lieu of such consideration as may be determined by the Committee in its sole discretion, taking into account all such stakeholders to this Plan and Grant. The decision of the Committee, in this regard, shall be final and binding.

14.2 *Inability to obtain authority*

a. The inability of the Company to obtain authority from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful issuance and sale of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of the failure to issue or sell such Shares.

b. The implementation of this Plan, the Grant of any Option as per terms of this Plan and the allotment or transfer of any Shares as per this Plan shall be subject to the procurement by the Company and the Option Grantee / Nominee of all approvals and permits required by any regulatory authorities having jurisdiction over this Plan, the Options and the Shares allotted or transferred pursuant thereto. The Option Grantee / Nominee under this Plan will, if requested by the Committee, provide such assurances and representations, as the Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

c. The Company (including its Directors, employees, agents), and Committee and its members shall be relieved and wholly discharged from any liability arising out any actions taken in good faith for the implementation of this Plan, and Grant of Options.

14.3 *No right to Grant*

Neither the existence of this Plan nor the fact that an individual has on any occasion been granted an Option shall give such individual any right, entitlement, or expectation that he has or will in future have any such right, entitlement or expectation to participate in this Plan by being granted an Option on any other occasion.

14.4 *No employment rights conferred*

a. The Grant of Options is of an occasional and extra-ordinary nature and constitutes a gratuitous and discretionary act by the Company. Consequently, no benefit derived from the Options granted under the Plan, forms or shall form a part of any Employee's normal, habitual, or expected remuneration. Unless otherwise intended, the Grant of an Option does not form part of the Option Grantee's entitlement to compensation or benefits pursuant to his contract of employment or service nor does the existence of a contract of employment or service between any person and the Company give such person any right or entitlement to have an Option granted to him in respect of any number of Shares or any expectation that an Option might be granted to him whether subject to any condition or at all.

b. The rights and obligations of any Eligible Employee under the terms of his office or employment with the employing entity shall not be affected by his participation in this Plan.

c. The rights granted to an Option Grantee upon the grant of an Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment or service contract, as applicable, with the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

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

e. Nothing contained in the Plan or in any Grant made hereunder shall:

- confer upon any Option Grantee / Employee any legal or equitable rights against the Company Group or give rise to any cause of action in law or equity against the Company Group;
- confer upon any Option Grantee any right with respect to continuation of employment or engagement with the Company Group; or
- interfere in any way with the right of the Company Group to terminate employment or services of any Option Grantee at any time.

14.5 *Dissolution or liquidation*

In the event of a dissolution or liquidation of the Company, the Committee shall inform each Option Grantee, as soon as practicable / permissible under Applicable Law, of the same and communicate regarding the treatment of Options held by the Option Grantee.

14.6 *Confidentiality*

a. The Option Grantee shall ensure complete confidentiality in respect of all documents, matters and discussions in relation to the Plan, Grant, Letter of Grant or any connected matter except where (i) the prior approval of the Company is received; (ii) such disclosure is made to a third-party professional (viz., lawyer, chartered accountant etc.) for seeking legal or financial advice, or (iii) as required under Applicable Law. Any violation may result in cancellation of Options, Vested or Unvested by the Committee in their sole and absolute discretion.

b. The decision and judgment of the Committee regarding breach of this **Clause 14.6** shall be final, binding and cannot be questioned by Option Grantee. In the event of non-adherence to the provisions of this Clause, the Committee shall have the authority to deal with such cases as it may deem fit.

c. On acceptance of the Grant by the Eligible Employee, the Company shall be authorised to disclose information relating to the Option Grantee for the implementation of the Plan, while availing any consulting or advisory services thereof or any other incidental services to its officers, professional advisors, agents, and consultants on a need-to-know basis.

14.7 *Nominee*

A Nominee alone shall be entitled to exercise the rights of the concerned Eligible Employee / Option Grantee in the event of death / Permanent Incapacity of the Option Grantee, subject to the terms and conditions of the Plan.

14.8 *Insider trading*

The Option Grantee shall ensure that there is no violation of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Securities and Exchange Board of India (Prevention of Fraudulent and Unfair Trade Practices) Regulations, 2003 and any other such rules and regulations as may be notified by SEBI and/or the stock exchange on which the Shares are Listed (*in the future*). The Option Grantee shall keep the Company or the Board or such other Committees) of the Board, fully indemnified in respect of any liability arising for violation of the above provisions.

14.9 *Listing*

a. As on the date of introduction of the Plan, the Shares are not Listed on any recognised stock exchange in India or abroad.

b. Nothing in this Plan and/or Grant shall restrict the right of the Company to undertake a Listing.

c. In the event of a Listing, the SEBI rules, and regulations, including the SBEB&SE Regulations, shall apply to the Plan and/or Grants.

14.10 *New Employee Stock Option Plans*

Nothing contained in the Plan shall be construed to prevent the Company from implementing another employee incentives plan, directly or through any trust settled by Company, which is deemed by the Company to be appropriate or in its best interest, provided such other action would not have any adverse impact on the Plan or any Grant made under the Plan. No Option Grantee or other Person shall have any claim against the Company as a result of such action.

14.11 *General Risks*

Participation in the Plan shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the market price of the Shares and the risks associated with the investments are that of the Option Grantee alone.

14.12 *Buy Back Rights of Company / Cash Settlement Right of Option Grantee*

a. Upon Exercise of Options, the Promoters of the Company / any person identified by the Promoters of the Company ("**Call Right Holder**") shall have the right, but not an obligation, to purchase the Shares allotted in relation to the Options Exercised from the Employee Shareholder at the Market Price. In case the Call Right Holder exercises such right, the Employee Shareholder shall mandatorily be obligated to participate in such arrangement and sell their Shares to the Call Right Holder.

b. In the event that the Company is not Listed within a period of 5 years from the date of adoption of the Plan , notwithstanding anything contained in the Plan , shall have the right to require the Company (by way of a written notice to the Committee) to provide a cash settlement of the Options at the Market Price (on the date of eventual settlement of the Options), and the Company shall have a period of 6 months from the date of the Option Grantee providing such abovementioned notice to undertake the cash settlement of the Options .

c. The provisions of this **Clause 14.12** shall fall away post filing of a draft red herring prospectus or a similar document in relation to the Listing of the Company.

15. Governing Laws and jurisdiction

15.1 The terms and conditions of the Plan shall be governed by and construed in accordance with the Applicable Laws of India.

15.2 The Grant of Options and issue of Shares under this Plan shall entitle the Company to require the Eligible Employee / Option Grantee to comply with such requirements of Applicable Law as may be necessary in the opinion of the Committee. In case of any conflict between the provisions of this Plan and any provisions, rules, regulations, or guidelines issued under Applicable Law, the provisions of the Applicable Law shall override the provisions of this Plan to the extent of such conflict.

15.3 The Eligible Employee / Option Grantee agrees and acknowledges that the Eligible Employee / Option Grantee has received and read a copy of this Plan. In the event that any Applicable Law render this Plan as illegal or void, this Plan shall automatically be treated as withdrawn and cancelled and the Company (including Board and Committee) shall have no obligation or liability whatsoever towards any Eligible Employee / Option Grantee including in relation to any Vested or Unvested Options.

15.4 In order to comply with regulation of any other country or to avail any tax or other benefits, Committee may at its sole discretion and in compliance with Applicable Law, may formulate an addendum to this Plan for Employees employed in that country and made applicable to such Employees from the date determined by the Committee.

15.5 In case any Options are granted to any Employee being resident outside India, the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, shall be applicable in connection with Grant, Vest, and Exercise of Options hereunder. Any loss that occurred on account of fluctuations in the foreign exchange rate, requirement for the Company to undertake tax related obligations in a foreign jurisdiction and any foreign taxes shall be solely borne by the Option Grantee / Employee Shareholder.

15.6 *Dispute Resolution*

a. In case of any dispute arising out of or relating to this Plan or associated Letter of Grant, or to the interpretation, breach, termination or validity of the Plan, the parties to the dispute must use their best effort to resolve the dispute through consultation or mediation. The consultation or mediation between the Disputing Parties must begin as soon as practicable after one Disputing Party has delivered to the other Disputing Party or Parties a written notice setting out the matter of the Dispute ("**Dispute Notice**").

b. If a Dispute is not settled through consultation and mediation within 30 days after the date of the relevant Dispute Notice, the High Court at Maharashtra and courts subordinate to it shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this Plan.

c. Nothing in this Clause shall however limit the right of the Company to bring proceedings against any Employee in connection with this Plan: in any other court of competent jurisdiction; or concurrently in more than one jurisdiction.

16. Notices

16.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of the Plan shall be in writing and shall be sent to the address of the Option Grantee available in the records of the Company; or Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; or Emailing the communication(s) to the Option Grantee at the official email address provided, if any, during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.

16.2 Any communication to be given by an Option Grantee to the Company in respect of the Plan shall be sent at the registered address of the Company.

17. Severability

In the event any one or more of the provisions contained in this Plan shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this Plan in which case the Plan shall be construed as if such invalid, illegal, or unenforceable provisions had never been set forth herein, and the Plan shall be carried out as nearly as possible according to its original intent and terms.