

**A2Z INFRA ENGINEERING LTD.**

**(Formerly known as A2Z Maintenance & Engineering Services Limited**

**“A2Z Employee Stock Option Plan, 2014”**





**A2Z INFRA ENGINEERING LTD.**  
 (Formerly known as A2Z Maintenance & Engineering Services Limited)  
**EMPLOYEE STOCK OPTION PLAN 2014**

1	NAME OF THE PLAN.....	3
2	PURPOSE OF THE PLAN.....	3
3	DEFINITIONS.....	3
4	ELIGIBILITY.....	7
5	ADMINISTRATION OF THE PLAN.....	8
6	NUMBER OF SHARES.....	9
7	GRANT OF OPTIONS.....	9
8	METHOD OF ACCEPTANCE.....	9
9	VESTING OF OPTIONS.....	10
10	EXERCISE PRICE.....	10
11	EXERCISE OF OPTIONS.....	10
12	ALLOTMENT OF SHARES.....	12
13	TENURE.....	12
14	TERMINATION OF EMPLOYMENT.....	12
15	NON-TRANSFERABILITY OF OPTIONS.....	14
16	RIGHTS OF A PARTICIPANT.....	14
17	BENEFICIARY DESIGNATION.....	14
18	TAX.....	14
19	MODIFICATION OF PLAN.....	15
20	GOVERNING LAW.....	15
21	ARBITRATION.....	15
22	REGULATIONS AND APPROVALS.....	16
23	NOTICES AND CORRESPONDENCE.....	16
24	INDEMNIFICATION.....	16
25	MISCELLANEOUS.....	17
26	CONFIDENTIALITY.....	18
27	SEVERABILITY.....	18





## 1 Name of the Plan

This Plan shall be termed as "A2Z Employee Stock Option Plan, 2014" ("Plan"). The Plan has been approved by a special resolution passed on 27<sup>th</sup> September, 2014 in the Annual General Meeting of the shareholders. The Plan shall be effective from the date of compensation committee meeting, will be held for granting stock options, and hereinafter referred to as the "Effective Date".

The document sets out the terms and conditions of the Plan under which the Options are being granted and Shares are being allotted to the Employees of the Company.

## 2 Purpose of the Plan

**A2Z INFRA ENGINEERING LTD.** (Formerly known as A2Z Maintenance & Engineering Services Limited) ("Company"), a company limited by shares, incorporated and registered under the Companies Act, 1956 of India and having its registered office at O-116, 1<sup>st</sup> Floor, DLF Shopping Mall, Arjun Marg, DLF Phase - I, Gurgaon - 122 002, Haryana has structured this Plan for its eligible employees. The objective of the Plan is to provide a mechanism to:

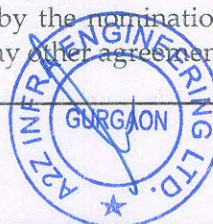
- promote the long term retention of high performing middle and senior level employees, including new employees, and Directors of the Company and its Subsidiaries
- Create and share wealth with the employees,
- Recognise and reward employee performance with participation in ownership,
- Encourage employees to align individual performance and efforts with Company objectives.

This is sought to be achieved through the Grant of Options to select employees to subscribe to Shares of the Company.

## 3 Definitions

In this Plan, except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against. Further, unless the context otherwise requires, words denoting the masculine gender shall include the feminine gender and words denoting the singular shall include the plural and vice versa.

- 3.1 "Acceptance Form" shall mean the form that the Grantee has to submit indicating his acceptance of the offer made to him to participate in the Plan.
- 3.2 "Applicable Laws" shall mean laws of India to the extent applicable and as amended and modified from time to time. Accordingly, any actions taken hereunder shall be governed by and construed in accordance with the laws of India, without regard to the application of the conflicts of laws' provisions thereof.
- 3.3 "Beneficiary" means the person or persons, who is / are entitled by the will of the Participant to receive the benefits specified in the Plan, the legal heirs of the Participant, if the Participant dies intestate and includes the Participant's executors or administrator, if no other beneficiary is designated and able to act under the circumstances and such other persons as may be added from time to time to the class of beneficiaries by notice in writing and by the nomination form in the exercise of any powers conferred under the Plan or any other agreements forming part thereof.





- 3.4 "Board" means the Board of Directors of the Company.
- 3.5 "Cause" means the following: (i) the commission of a felony or a crime of moral turpitude, or any crime involving the Company or its Subsidiary (ies), or any affiliate thereof by an Employee; (ii) fraud, misappropriation or embezzlement by an Employee and (iii) any other action that, in view of the Company or its Subsidiary (ies), is disruptive or detrimental to its functioning.
- 3.6 "Closing Date" means the last date on which the offer of Options by the Company to a Grantee can be accepted. In case the last date is a non working day, then it shall be the immediately next working day.
- 3.7 "Company" shall mean A2Z INFRA ENGINEERING LTD. (Formerly known as A2Z Maintenance & Engineering Services Limited), a company limited by Shares, incorporated and registered under the Companies Act, 1956 having its registered office at O-116, 1<sup>st</sup> Floor, DLF Shopping Mall, Arjun Marg, DLF Phase - I, Gurgaon - 122 002, Haryana.
- 3.8 "Corporate Action" shall have meaning as understood under the SEBI Guidelines.
- 3.9 "Committee" means the Compensation Committee of the Board to be constituted by the Board for administration and superintendence of this Plan pursuant to Clause 5 of the Plan.
- 3.10 "Employee" means (i) a permanent employee of the Company working in India or out of India; or (ii) a director of the Company, whether a whole time director or not; or (iii) an employee as defined in sub-clause (i) and (ii) above of a Subsidiary of the Company, in India or out of India, or of a holding company of the Company.
- 3.11 "Exercise" means making of an application by the Participant to the Company for issue of Shares against the Vested Options as per terms and conditions stated in this Plan.
- 3.12 "Exercise Date" means the date on which the Participant exercises his Vested Options and in case of partial Exercise shall mean each date on which the Participant exercises part of his Vested Options.
- 3.13 "Exercise Period" means a period of 5 years from the respective Vesting Date as defined in Clause 9.2 within which the Vested Options can be exercised in pursuance of the Plan.
- 3.14 "Exercise Price" means the price payable by the Participant as determined under Clause 10 of the Plan for exercising the Options granted to him.
- 3.15 "Market Price" means the latest available closing price, prior to the date of the meeting of the Board of Directors, in which Options are granted, on the Stock Exchange on which the Shares of the Company are listed. If the Shares are listed on more than one Stock Exchange, then the Stock Exchange where there is highest trading volume on the said date shall be considered.





- 3.16 "General Meeting" means a General Meeting (including extraordinary General Meeting) of the Shareholders of the Company held in accordance with the Articles of Association of the Company and the Applicable Laws.
- 3.17 "Grant" means issue of Options to a Grantee under the Plan.
- 3.18 "Grant Date" means the date on which the Options are granted to a Grantee by the Committee under the Plan.
- 3.19 "Grant Letter" means the letter by which Grant of an Option is communicated to the Grantee.
- 3.20 "Grantee" shall mean an Employee having right but not an obligation to Exercise in pursuance of the Plan.
- 3.21 "Independent Director" means a director of the Company (not whole time and who is neither a Promoter nor belonging to the Promoter Group) who apart from receiving director's remuneration does not have any other material pecuniary relationship or transactions with the Company, its Promoters, its management or its Subsidiaries, which in judgment of the Committee may affect independent judgment of the director.
- 3.22 "Option" means the option given to the whole time Directors, Officers or Employees of a Company which gives such Directors, Officers or Employees, the benefit or right, to purchase or subscribe at a future date, the Shares offered by the Company at the Exercise Price determined in accordance with Clause 10 of the Plan.
- 3.23 "Participant" means a Grantee who accepts an offer from the Company to participate in the Plan pursuant to Clause 8 of the Plan.
- 3.24 "Plan" shall mean the A2Z Employee Stock Option Plan 2014 under which the Company Grants Stock Options to the Grantees and shall include any alterations, amendments, additions, deletions, modifications, or variations thereof from time to time.
- 3.25 "Promoter" means:
- a) the person or persons who are in over-all control of the Company;
  - b) the person or persons who are instrumental in the formation of the Company or programme pursuant to which the Shares were offered to the public, if any;
  - c) the persons or persons named in the offer document as Promoter(s).

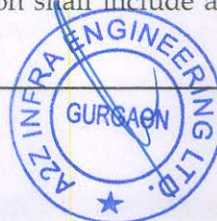
Director or officer of the Company if they are acting as such only in their professional capacity will not be deemed to be a Promoter.

- 3.26 "Promoter Group" means:
- a) an immediate Relative of the Promoter;
  - b) persons whose shareholding is aggregated for the purpose of disclosing in the offer document "shareholding of the Promoter Group".





- 3.27 "Relative" means immediate relative namely spouse, parent, brother, sister or child of the person or the spouse.
- 3.28 "SEBI Guidelines" means the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 issued by the Securities and Exchange Board of India under the Securities and Exchange Board of India Act, 1992 and shall include any alterations, amendments, additions, deletions, modifications, or variations thereof from time to time.
- 3.29 "Share" means equity shares of the Company and securities convertible into equity shares and shall include American Depository Receipts (ADR's), Global Depository Receipts (GDR's) or other depository receipts representing underlying equity shares or securities convertible into equity shares.
- 3.30 "Shareholder" means the registered holder of a Share in the share capital of the Company.
- 3.31 "Subsidiary / Subsidiaries" means Subsidiary (ies) of the Company as defined under Section 4(1) of the Companies Act, 1956.
- 3.32 "Termination Date" means the date of termination of employment of the Participant with the Company.
- 3.33 "Vesting" means the process by which the Participant is given the right to apply for Shares of the Company against the Option granted to him in pursuance of the Plan.
- 3.34 "Vested Option" means an Option, which has vested in pursuance to Clause 9.2 of the Plan with the Participant and has thereby become exercisable.
- 3.35 "Vesting Date" means the date on and from which the Option vests with the Participant and thereby becomes exercisable.
- 3.36 "Vesting Period" means the period during which the Vesting of the Option granted to the Participant in pursuance of the Plan takes place.
- 3.37 "Construction"
- a) The headings/ subheadings/ titles/ subtitles are only for the sake of convenience and shall not be interpreted to restrict or otherwise affect the meaning or import of the Articles, which shall be interpreted solely in light of the contents thereof.
  - b) Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
  - c) Any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in visible form.
  - d) The term 'including' shall mean 'including without limitation', unless otherwise specified.
  - e) Reference to any Act, Rules, Statute or Notification shall include any statutory modification, substitution or re-enactment thereof.





## 4 Eligibility

4.1 The Plan is essentially targeted at middle and senior level Employees and Directors of the Company and the Subsidiary (ies) as may be determined eligible by the Committee in accordance with the terms of this Plan.

4.2 Subject to Clause 4.3 of the Plan, the eligibility to participate in the Plan is subject to such criteria as may be decided by the Committee at its own discretion, including, but not limited to the position and responsibilities, date of joining of the Employee with the Company or the Subsidiaries, current compensation, period of service with the Company or the Subsidiaries, present and potential contribution, industry experience or any other criteria, as the Committee determines.

4.3 Based on the eligibility criteria as described in Clauses 4.1 and 4.2, the Committee will decide which of the Employees should be Granted Options under the Plan and accordingly, the Company would offer the Options to the identified Employees to the extent permissible by Applicable Law,

4.4 An Employee who is a

- Promoter; or
- Belongs to the Promoter Group; or
- A director, who either by himself or through his Relative or through anybody corporate, directly or indirectly, holds more than 10 (ten) percent of the outstanding equity shares of the Company, shall not be eligible to participate in the Plan.

4.5 Where such Employee is a director nominated by an institution as its representative on the Board of the Company,

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





## 5 Administration of the Plan

5.1 The Plan shall be administered by the Compensation Committee working under the powers delegated by the Board, which may delegate its duties and powers in whole or in part as it determines. The Committee is authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Plan. 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. The compensation committee should constitute of majority of Independent Directors.

5.2 The acts of a majority of the members of the Committee present at any meeting (at which the quorum is present) or acts approved in writing by a majority of the entire Committee shall be the acts of the Committee for the purpose of the Plan. No member of the Committee may act upon matters under the Plan specifically relating to such member. Any decision of the Committee in the interpretation and administration of the Plan, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Grantee and / or Participants and their Beneficiaries). Neither the Company nor the Board and its Committee shall be liable for any action or determination made in good faith with respect to the Plan or any Option granted there under.

5.3 The Committee shall, inter-alia, do the following:

- (i) Determine the quantum of the Options to be granted under the Plan per Employee and in aggregate;
- (ii) Determine the conditions under which Options vested in the employees may lapse in case of termination of employment for misconduct;
- (iii) Determine the Exercise Period within which the Participant should Exercise the Option and the period within which the Option should lapse on the failure to Exercise the Options within the Exercise Period;
- (iv) Determine the specified time period within which the Participant shall Exercise the Vested Options in the event of termination or resignation of the Participant;
- (v) Determine the right of a Participant to Exercise all the Options vested in him at one time or various points in time within the Exercise Period;
- (vi) Determine the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of Corporate Actions such as rights issues, bonus issues, merger, sale of division and others.
- (vii) Determine the Grant, Vesting and Exercise of Options in case of Employees who are on long leave;
- (viii) Determine the procedure for cashless Exercise of Options;
- (ix) Take any other actions and make any other determinations or decisions that it deems necessary or appropriate in connection with the Plan or the administration or interpretation thereof;
- (x) Administer and reconcile any inconsistency in the Plan; and
- (xi) Perform such other functions and duties as shall be required under the Applicable Laws.





## 6 Number of Shares

6.1 Subject to Clause 25.3 of the Plan, the maximum number of Shares that may be issued pursuant to Exercise of Options granted to the Participants under this Plan shall not exceed 50,00,000 (Fifty Lacs). This limit may be appropriately revised by the Compensation Committee in case of any share split / bonus issue / merger or restructuring plan / other corporate action necessitating the same.

6.2 Notwithstanding the foregoing provisions of Clause 6.1 Shares with respect to which an Option is granted under the Plan that remain unexercised at the expiration, forfeiture or other termination of such Option may be the subject of the grant of further Options.

6.3 All Options that have lapsed (including those having lapsed by way of forfeiture) or surrendered *suo-moto* by the Employees shall be added back to the number of Options that are pending to be granted or allotted. The Company may Grant such Options within the overall limits as per Clause 6.1 of the Plan. The certificates for Shares issued hereunder may include any legend which the Committee deems appropriate to reflect any restrictions on transfer hereunder or as the Committee may otherwise deem appropriate.

## 7 Grant of Options

7.1 The Committee may offer the Options to a Grantee in accordance with the terms and conditions of the Plan for the time being in force. The Committee will decide the number of options to be granted to each employee.

7.2 Each Option will entitle the Participant to one Share of the Company.

7.3 The Grant of the Options by the Committee to the Grantee shall be made in writing and communicated to the Grantee by a Grant Letter.

7.4 The Closing Date of accepting the offer shall not be more than 30 days (Thirty days) from the Grant Date.

7.5 An offer made under Clause 7.1 of the Plan is personal to the Grantee and cannot be transferred in any manner whatsoever.

## 8 Method of Acceptance

8.1 Any Grantee who wishes to accept an offer made pursuant to Clause 7 of the Plan must deliver duly completed Acceptance Form to the Committee on or before the Closing Date stated in the Grant Letter.

8.2 Any Grantee who fails to return the Acceptance Form, complete in all respects, on or before the Closing Date shall, unless the Committee determines otherwise, be deemed to have rejected the offer. Any Acceptance Form received after the Closing Date shall not be valid.





8.3 Upon receipt of a duly completed Acceptance Form from the Grantee in respect of the Grant, the Grantee will become a Participant.

## 9 Vesting of Options

9.1 Subject to the terms contained herein, the acceptance in accordance with Clause 8 of the Plan of a Grant made to a Grantee, shall conclude a contract between the Grantee and the Company, pursuant to which each Option shall, on such acceptance, be an Unvested Option.

9.2 Subject to Participant's continued employment with the Company, as per Clause 14 of the Plan, the Unvested Options shall vest with the Participant over such period and subject to the terms and conditions of Vesting as may be stipulated by the Committee in its discretion and it may include performance appraisal of the Employee as well. However the minimum Vesting Period shall be one year from the date of Grant and the maximum Vesting Period shall be four years from the date of Grant.

9.3 Subject to Clause 14 of the Plan, for a valid Vesting, a Participant is required to be in service with the Company or its Subsidiary on the Vesting Date and must neither be serving his notice for termination of service nor be subject to any disciplinary proceedings pending against him on the Vesting Date.

## 10 Exercise Price

10.1 The Options granted to the Employees under this Plan shall carry an Exercise Price, which may be such discounted price to the Market Price of the Shares of the Company as may be determined by the Committee. However the Exercise Price shall not be less than the par value of the Shares of the Company.

10.2 In case of a fall in market value of Shares between the Offer Date and the date of Exercise, the Compensation Committee may re-price the Options that have not been vested while ensuring such re-pricing is not detrimental to the interest of the Grantees.

Any such re-pricing of Options shall be communicated by the Compensation Committee to the Participants in writing.

## 11 Exercise of Options

11.1 The Vested Options shall be exercisable by the Participant according to the terms and conditions as determined and set forth under the Plan.

11.2 Subject to Clause 14.1 of the Plan, the Participant alone can Exercise the Vested Option.

11.3 Subject to Clause 14 of the Plan, the Participant can Exercise the Vested Options within the Exercise Period. Such Exercise may be of all Vested Options or part of the Vested Options subject to Clause 11.4 of the Plan.





- 11.4 The Vested Options can be exercised either in full or in part for a minimum lot of 500 Shares and / or balance thereof. No fraction of a Vested Option shall be exercisable in its fractional form and should be rounded off to the nearest multiple of one for a valid Vesting.
- 11.5 Exercise of the Options shall take place at the time and place designated by the Committee and by executing such documents as may be required under the Applicable Laws to pass a valid title to the relevant Shares to the Participant / Beneficiary, free and clear of any liens, encumbrances and transfer restrictions save for those set out therein.
- 11.6 An Option shall be deemed to be validly exercised only when the Committee receives written and signed notice of Exercise from the Participant / Beneficiary and, subject to Clause 11.10 of the Plan, the full payment of the Exercise Price and any other sums due to the Company as per Clause 18 of the Plan in respect of exercise of the Option ("Aggregate Exercise Price").
- 11.7 On Exercise, the Participant / Beneficiary can subscribe to / acquire the Shares and the Company / transfer the Shares to the Participant or, if so requested in writing by the Participant, to the Participant jointly with another person, provided the Committee finds the Exercise Form complete and all conditions of the Plan complied with.
- 11.8 Notwithstanding anything else contained in this Plan, if the Participant / Beneficiary does not Exercise his Vested Options within the time specified in Clause 11.3 and Clause 14 of the Plan, the Options shall be forfeited and cancelled.
- 11.9 Subject to Clause 11.10 of the Plan, the Aggregate Exercise Price shall be paid in full upon the Exercise of the Vested Options. Payment must be made by one of the following methods:
- (i) cheque, banker's cheque or demand draft issued in the name of the Company as the Committee may specify; or
  - (ii) remittance directly from the Participant's bank to the bank account of the Company (wire transfer) as the Committee may specify or;
  - (iii) any combination of such methods of payment or any other method acceptable to the Committee at its sole discretion.
- 11.10 At its sole discretion and subject to the SEBI Guidelines and / or any notifications, circulars or other regulations that may be in force from time to time as may become applicable to the Company, it may also allow Cashless Exercise of Options granted under this Plan. Under Cashless Exercise, the Company, for acquiring the Shares pursuant to a valid Exercise,
- (i) may either fund itself and/ or
  - (ii) arrange any other form of financial assistance and / or
  - (iii) permit the empanelled stock brokers to fund the payment of Exercise Price and any other due which shall be adjusted against the sale proceeds of some or all the Shares.





The mode and manner of Cashless Exercise / financial assistance shall be notified by the Board / Company in due course.

## **12 Allotment of Shares**

12.1 Upon completion of a valid Exercise of Options as laid out in Clause 11, the Board shall make an allotment / transfer of Shares to the Participant under any mechanism as permissible under Applicable Laws.

12.2 Upon allotment / transfer of the Shares, the Participants shall become members of the Company. The Shares to be allotted shall rank pari-passu in all respects with the outstanding Shares of the Company.

12.3 At the time of allotment / transfer of Shares pursuant to a valid Exercise, the Participant will be required to sign such papers as may be considered necessary by the Committee to lawfully execute / enforce various provisions of the Plan.

## **13 Tenure**

13.1 The Plan shall continue in effect unless terminated by the Company or the Committee. Any such termination of the Plan shall not affect Options already granted and such Options shall remain in full force and effect as if the Plan had not been terminated unless mutually agreed otherwise between the Participants and the Company or the Committee.

## **14 Termination of Employment**

### **14.1 On death of a Participant**

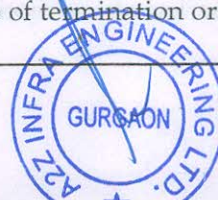
In the event of death of a Participant while in employment with the Company, all the Options granted to him till such date and lying unvested shall vest in the Beneficiary of the deceased Participant on that day.

All Vested Options (by operation of this clause or otherwise) shall be permitted to be exercised by the Beneficiary within a period of 60 days from the date of death of the Participant or the expiry of the Exercise Period, whichever is earlier. The Committee may grant extra time for exercising such Vested Options on a case-by-case basis. Any Vested Options not exercised within this aforesaid period shall lapse and stand forfeited and cancelled at the end of the aforesaid period.

### **14.2 On disability of Participant**

In case the termination of a Participant's employment with the Company is as a result of total or permanent incapacity (i.e. incapacity to engage in work as a result of sickness, mental disability or otherwise or by reason of accident), all the Options granted to him as on date of permanent incapacitation and lying unvested, shall vest in him on that day.

All Vested Options (by operation of this clause or otherwise) shall be permitted to be exercised within a period of 60 days from the date of termination or the expiry of the





Exercise Period, whichever is earlier. The Committee may grant extra time for exercising such Vested Options on a case-by-case basis. Any Vested Options not exercised within this aforesaid period shall lapse and stand forfeited and cancelled at the end of the aforesaid period.

#### 14.3 On attainment of superannuation age

After the retirement age i.e. 60 years no vesting shall be made.

In case service of the Participant with the Company or the Subsidiary is terminated due to retirement on attaining superannuation age, then all the Options granted to him till such date of retirement on attaining superannuation age and lying unvested shall immediately vest in him provided the minimum period of 1 (one) year between the Grant Date and Vesting of Options has expired.

All Vested Options (by operation of this clause or otherwise) are permitted to be exercised within a period of 60 days from the date of termination on retirement or the expiry of Exercise Period, whichever is earlier. The Committee may grant extra time to for exercising such Vested Options on a case-by-case basis. Any Vested Options not exercised within this aforesaid period shall lapse and stand forfeited at the end of the aforesaid period.

#### 14.4 Termination with Cause

In case the termination of employment of a Participant with the Company or the Subsidiary is with Cause, all Options, whether vested (but not exercised) or unvested options shall be forfeited and cancelled on the termination date and the contract referred to in Clause 9.1 of the Plan shall stand automatically terminated.

#### 14.5 Other terminations

In case the service of the Participant with the Company is terminated by reason other than specified in Clauses 14.1 to 14.4 of the Plan, all the Unvested Options with Participant on the termination date shall lapse.

The Participants can Exercise all the Vested Options within a period of 60 days from the date of termination or before the expiry of the Exercise Period, whichever is earlier. The Committee may grant extra time for exercising the Vested Options on a case-by-case basis. Any Vested Options not exercised within this aforesaid period shall lapse and stand forfeited at the end of the aforesaid period. However, the Committee shall have the right to waive such forfeiture wholly or partly as per their discretion.

#### 14.6 Long leave

In case the Participant takes a leave during the tenure of his service with the Company, Vesting Period of Options shall be increased by the period of such long leave taken.

For the purpose of this clause, "Long Leave" shall mean leave for a continuous period of one month or more or aggregate of leaves availed for more than 90 days in





one financial year

- 14.7 For the purpose of this Plan, transfer of a Participant from the Company to any of its Subsidiary or vice versa or between the Subsidiaries shall not be deemed to be termination of employment.

#### 15 Non-transferability of Options

- 15.1 Save as provided in Clause 14.1 of the Plan, the Options granted herein, are personal to the Participant. The Options cannot be assigned, alienated, pledged, attached, hypothecated, sold, or otherwise transferred or encumbered by the Participant otherwise than by will or by the laws of descent, to the extent permitted under the Applicable Law, and any purported assignment, alienation, pledge, attachment, sale, transfer, or encumbrance not permitted herein shall be void and unenforceable against the Company.

#### 16 Rights of a Participant

- 16.1 Rights as Shareholder: The rights of a Shareholder shall be conferred upon the Participant only on a valid Exercise of the Options and resultant transfer/ allotment of Shares. Upon transfer / allotment of the Shares, the Participants shall become members of the Company and shall be entitled to all rights of a member including with respect to voting rights, receipt of dividend, etc. The Shares to be allotted shall rank pari-passu in all respects with the outstanding Shares of the Company.

Neither the Participant nor any person entitled to Exercise the Participant's rights in the event of death shall have any rights of a Shareholder with respect to the Shares subject to an Option, except to the extent of any Shares that have been issued upon the Exercise of the Option as provided for herein.

#### 17 Beneficiary Designation

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

#### 18 Tax

- 18.1 All the Options granted under the Plan shall be subject to withholding of all applicable taxes as per Applicable Laws.
- 18.2 The Company/ Subsidiaries shall have the right to deduct / recover all taxes at source, whether present or levied in future, as may be applicable on the Participants or the Company / Subsidiaries, directly or indirectly, under laws of India or elsewhere, as a consequence of Grant, Vesting or Exercise of Options.





18.3 Notwithstanding anything else contained in this Plan, no Shares / Sale proceeds there from, as the case may be, shall be allotted / disbursed to the Participant or his Beneficiary, on Exercise/surrender of the Options under this Plan unless TDS / any other tax or levy as recoverable under Clause 18.1 above has been recovered or suitable arrangements for recovery of the same have been made to the satisfaction of the Committee. All taxes will be to the account of the Participants and will be recovered from them.

## 19 Modification of Plan

Pursuant to the authority granted through resolution passed by the members in their Annual General Meeting held on 27<sup>th</sup> September, 2014, the Committee may, without seeking any further approval, at any time and from time to time:

- 19.1 Revoke, add to, alter, amend or vary all or any of the terms and conditions of the Plan including terms of Vesting and Exercise Period or all or any of the rights and obligations of the Participants;
- 19.2 Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Participants. Each of such sets of special terms and conditions shall be restricted in its application to those Participants;
- 19.3 Formulate separate sets of special terms and conditions in addition to those set out herein, to apply to each class or category of Participants separately and each of such sets of special terms and conditions shall be restricted in its applications to such Participants; and
- 19.4 Alter the formula for calculation of Exercise Price, if the Option becomes unattractive due to fall in Market Price of the Share.

Provided that no variation, alteration, addition or amendment to the Plan can be made if it is detrimental to the interest of the Participant/Grantee.

## 20 Governing Law

- 20.1 This Plan and all agreements thereunder shall be governed by and construed in accordance with the Applicable Laws.
- 20.2 The Participant agrees and acknowledges that the Participant has received and read a copy of the Plan. The Options are subject to the Plan. If any term of the Plan is determined to be invalid or contrary to the requirement of the SEBI Guidelines or any other Applicable Laws, the remaining provisions shall be in effect and binding on the parties to the fullest extent permitted by law..

## 21 Arbitration

- 21.1 In the event of a dispute arising out of or in relation to the provisions of this Plan (including a dispute relating to the construction or performance thereof), the relevant parties shall attempt in the first instance to resolve such dispute through an amicable settlement. In case of failure, the matter shall be referred for final determination to an





arbitrator appointed jointly by the Participant and the Committee and the decision of such an arbitrator shall be final and binding on the Company, Subsidiary and the Participant. The arbitration proceedings shall be held in Gurgaon, Haryana, India under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof. The arbitrator shall give a reasoned award in writing. The arbitrator shall also decide on the costs of the arbitration proceedings. The parties shall submit to the arbitrator's award and the award shall only be enforceable in a competent court of law at Gurgaon, Haryana.

## **22 Regulations and Approvals**

- 22.1 The Grant of any Option pursuant to the Plan and the obligation of the Company to issue and transfer Shares with respect to Options granted under the Plan shall be subject to the Applicable Laws and rules and regulations made thereunder and obtaining all such approvals from governmental agencies as may be deemed necessary or appropriate by the Committee.
- 22.2 The Committee may make such changes to the Plan as may be necessary or appropriate to comply with the rules and regulations of any government authority.
- 22.3 The implementation of the Plan, the Granting of any Option under the Plan and the issuance of any Shares under this Plan shall be subject to the procurement by the Company and the Participants of all approvals and permits required by any regulatory authorities having jurisdiction over the Plan, the Options and the Shares issued pursuant thereto. The Participants under this Plan will, if requested by the Committee, provide such assurances and representations to the Committee, as the Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

## **23 Notices and Correspondence**

- 23.1 Any notice required to be given by a Participant to the Company or the Committee or any correspondence to be made between a Participant and the Company or the Committee may be given or made to the Company at the registered office of the Company, or the Committee as may be notified by the Company in writing.
- 23.2 Any notice required to be given by the Company or the Committee to a Participant or any correspondence to be made between the Company or the Committee and a Participant shall be given or made by the Company or the Committee on behalf of the Company at the address provided by the Participant in his Acceptance Form.

## **24 Indemnification**

To the maximum extent permitted by law, the Company shall indemnify and hold harmless the members of the Committee from and against any and all liabilities, costs and expenses incurred by such persons as a result of any act or omission to act in connection with the performance of such person's duties, responsibilities and obligations under the Plan, other than such liabilities, costs and expenses as may result from the gross negligence, bad faith, willful misconduct or criminal acts of such persons.





## 25 Miscellaneous

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

25.2 No employment rights conferred: Nothing contained in the Plan or in any Grant made hereunder shall (i) confer upon any Employee any right with respect to continuation of employment with the Company / Subsidiaries, or (ii) interfere in any way with the right of the Company or its Subsidiary(ies) to terminate his employment at any time.

25.3 Corporate Actions: In the event the Company is involved (i) in a Plan for merger, reconstitution, consolidation, dissolution, liquidation or reorganization, exchange of Shares, share swaps, sale of all or substantially all of the assets of the Company or a transaction similar thereto, (ii) any stock dividend, stock split, reverse stock split, stock combination, rights issue, bonus issues or other changes in the capital structure of the Company or (iii) any other event which in the judgment of the Committee necessitates action of making a fair and reasonable adjustment to the number of Options and / or to the Exercise Price, such adjustment shall be made in a manner that the total value of the Options remains the same after the Corporate Action. In all such Corporate Actions, the Committee shall ensure while taking into consideration the global best practices in this area including the procedures followed by the derivate markets in India and abroad, that the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Participants. The decision of the Committee on whether such action is necessary and the extent of such action by the Committee shall be final and binding.

If a change of control shall occur, the Committee may make such adjustments at its discretion as are necessary or appropriate in light of the change of control (including, without limitation, the substitution of stock other than stock of the Company as the stock optioned hereunder, and the acceleration of the exercisability of the Options), provided that the Committee determines that such adjustments do not have a substantial adverse economic impact on the Participant as determined at the time of the adjustments.

25.4 Adherence to Applicable Laws: The Participant shall comply with all Applicable Laws.

25.5 Accounting Methods: The Company shall follow and conform to the applicable accounting policies issued by the Institute of Chartered Accountants of India from time to time and accounting policies as per SEBI Guidelines (to the extent applicable). The Company shall use Intrinsic Value of Options for accounting purpose.

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





- 25.7 The Company shall bear the costs of establishing and administering this Plan, including any costs of the Company's auditors or any independent financial adviser in relation to the preparation of any confirmation by them or provision of any other service in relation to this Plan.
- 25.8 The Participant shall comply with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations 1995, to the extent applicable, as well as any Code of Conduct or such similar policy, procedure or system formulated or adopted by the Committee and communicated to the Participant from time to time. Any violation of the Applicable Laws or Code of Conduct may result in cancellation of all Vested and Unvested Options as well as subject the Participant to disciplinary action at the discretion of the Company.
- 25.9 The acceptance of the Grant is entirely voluntary and the Company or the Board or the Committee does not guarantee any return on Shares or Options.
- 25.10 The Company shall make such disclosure with regard to its Plan as may be required under any applicable law.
- 25.11 This Plan constitutes the entire document in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter.
- 25.12 Set-off: It is the Company's or the Subsidiaries or the Board's or the Committee's obligation to convey to the Participant that the Shares shall be subject to set-off or counterclaim of amounts owed by the Participant to the Company or the Board or the Committee, to the extent permitted under the Applicable Laws.

**26 Confidentiality**

The Participant shall not divulge the details of the Plan and / or his holdings to any person except with the prior written permission of the Committee unless so required to do under any statutes or regulations applicable to such Participant.

**27 Severability**

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

