

Lupin Limited

Lupin Employees Stock Option Scheme 2025

(Version 1.0 - Approved by the shareholders on March 20, 2025)

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1. Name of the Scheme

This Scheme shall be named as the Lupin Employees Stock Option Scheme 2025 ("**Scheme**").

2. Purpose of the Scheme

The objective of the Scheme is to attract, retain, reward and create a sense of ownership and participation amongst the Eligible Employees of the Company and its Subsidiary companies and to drive high standards of individual performance and consequently enhance the financial performance of the Company, thereby creating shareholder's value. This purpose is sought to be achieved through the Grant of Options to the Eligible Employees to subscribe the Shares of the Company.

3. Term of the Scheme

This Scheme has been approved by the Shareholders of the Company by way of a Special Resolution passed through postal ballot on March 20, 2025. The Scheme shall be effective from date of approval by the Shareholders (i.e., March 20, 2025), hereinafter referred to as the "**Effective Date**" and shall remain effective until (i) it is terminated by the Committee and/or Board or (ii) the date on which all of the Options available for issuance under the Scheme have been issued and exercised, whichever is earlier.

4. Definitions

Except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against:

- 4.1 "**Applicable Laws**" shall mean laws of India to the extent applicable and as amended, modified, enacted or re-enacted from time to time, including but without limitation to, the Companies Act, 2013, Securities Exchange Board of India ("SEBI") Act, 1992, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, and all relevant tax, securities, exchange control or corporate laws of India or any relevant jurisdiction or of any stock exchange on which the Shares are listed or quoted.
- 4.2 "**Act**" means the Companies Act, 2013 and the rules made thereunder and shall include any modifications, variations, enactments or re-enactments thereof as may be done from time to time.
- 4.3 "**Beneficiary**" means the person, persons, trust or trusts designated by a Grantee, or in the absence of any designation by the Grantee, a person or persons who is/ are entitled by the will of the Grantee to receive the benefits specified in the Scheme, the legal heirs of the Grantee, if the Grantee dies intestate and includes the Grantee'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 nomination form in the exercise of any powers conferred under the Scheme or any other agreements forming part thereof.

- 4.4 **"Board"** means the Board of Directors of the Company.
- 4.5 **"Income Tax Law"** means provisions of the Income Tax Act, 1961 read with Income Tax Rules, 1962 on Employee Stock Option or Employee Stock Option Scheme and shall include any modifications, variations, enactments or re-enactments thereof as may be done from time to time.
- 4.6 **"Committee"** means the Nomination and Remuneration Committee (designated as the Compensation Committee) constituted by the Board under the Listing Regulations.
- 4.7 **"Company"** shall mean Lupin Limited, a company limited by shares, incorporated and registered under the Companies Act, 1956.
- 4.8 **"Corporate Action"** means one of the following events:
- i. rights / bonus issue;
 - ii. split or consolidation of shares;
 - iii. change in capital structure of the Company;
 - iv. merger / demerger / amalgamation;
 - v. Other reorganization in which the Shares of the Company are converted into or exchanged for:
 - (a) a different class of securities of the Company, or
 - (b) any securities of any other issuer, or
 - (c) cash, or
 - (d) other property;
 - vi. Any other corporate action as decided by the Committee;
- 4.9 **"Eligible Employee(s)"** includes:
- i) an employee as designated by the Company, who is exclusively working in India or outside India; or
 - ii) a director of the Company, whether a whole time director or not, including a non-executive director who is not a Promoter or member of the Promoter Group, but excluding an independent director (unless permissible under the Applicable Law); or
 - iii) an employee as defined in sub-clauses (i) or (ii) above, of the Subsidiary, in India or outside India, but does not include (unless permissible under the Applicable Law) —
 - a. an employee who is a Promoter or a person belonging to the Promoter Group; or
 - b. a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company.
- 4.10 **"Exercise"** means making of an application by the Grantee to the Company for issue of Shares against the Vested Options of the Grantee in pursuance of this Scheme and on payment of the applicable Exercise Price.

- 4.11 **"Exercise Date"** means the date on which the Grantee exercises his Options and in case of partial Exercise shall mean each date on which the Grantee exercises part of his Options.
- 4.12 **"Exercise Period"** means a period not exceeding 8 years from the Grant Date within which the Vested Options can be exercised.
- 4.13 **"Exercise Price"** means the price payable by the Grantee for exercising the Vested Options granted to him in pursuance of the Scheme, in accordance with clause 10 below and shall be communicated in the Grant Letter.
- 4.14 **"FEMA Regulation"** means Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 read with RBI Master Direction RBI/FED/2017-18/60 FED Master Direction No.11/2017-18 and any other applicable Foreign Exchange Management rules issued by the RBI and shall include any modifications, variations, enactments or re-enactments thereof from time to time.
- 4.15 **"Grant"** means the process by which a Grantee is granted an Option under the Scheme.
- 4.16 **"Grant Date"** means the date on which the Options are granted to the Grantee by the Committee under the Scheme.
- 4.17 **"Grant Letter"** means the letter by which Grant of Options is communicated to the Grantee.
- 4.18 **"Grantee"** shall mean an Eligible Employee to whom Options are granted under the Scheme.
- 4.19 **"Independent Director"** means a Director who satisfies the criteria for independence as prescribed under Section 149 of the Act and Regulation 16 of the Listing Regulations.
- 4.20 **"Options"** means a right, but not an obligation to acquire and be allotted Share(s) of the Company upon Exercise at a future date.
- 4.21 **"Scheme"** shall mean the Lupin Employees Stock Option Scheme 2025 and shall include any alterations, amendments, additions, deletions, modifications or variations thereof from time to time.
- 4.22 **"Permanent Incapacity"** means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps the Grantee from performing any specific job, work or task which the said Grantee was capable of performing immediately before such disablement, as determined by the Committee based on a medical certificate from an expert identified by the Company.
- 4.23 **"Promoter"** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.

- 4.24 **"Promoter group"** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.
- 4.25 **"Relative"** shall have the same meaning as defined under Section 2(77) of the Act.
- 4.26 **"Listing Regulations"** means the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall include any modifications, variations, enactments or re-enactments thereof as may be done from time to time.
- 4.27 **"SBEB Regulations"** means the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and shall include any modifications, variations, enactments or re-enactments thereof as may be done from time to time.
- 4.28 **"Share"** means fully paid-up equity share of the Company of face value of Rs. 2/- each.
- 4.29 **"Shareholder"** means the registered holder of any share in the share capital of the Company.
- 4.30 **"Subsidiary"** means a company as defined under section 2(87) of the Act.
- 4.31 **"Unvested Option"** means an Option, which is not a Vested Option.
- 4.32 **"Vesting"** means the process by which the Grantee becomes entitled to apply for Shares of the Company against the Options granted to him in pursuance of this Scheme.
- 4.33 **"Vesting Period"** means the period during which the Vesting of the Options granted to the Grantee in pursuance of the Scheme takes place.
- 4.34 **"Vested Option"** means an Option, which has vested upon fulfillment of such performance conditions to the Grantee and has thereby become exercisable.

Unless the context otherwise requires, words and expressions used in this Scheme and not defined herein but defined in the Act, the SBEB Regulations or the Listing Regulations shall have the same meaning respectively assigned to them therein.

Interpretation

In this Scheme, unless the contrary intention appears:

- a) Words denoting the masculine gender shall include the feminine gender and words denoting the singular shall include the plural and vice versa.
- b) 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.

- c) Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- d) Any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in visible form.
- e) The term 'including' shall mean 'including without limitation', unless otherwise specified.
- f) References in Scheme 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 Scheme) and to any subordinate legislation made under such provisions.

5. Eligibility

The Committee will identify the Eligible Employees to whom the Options should be granted under the Scheme after examining and evaluating overall group corporate/individual performance, inter alia, taking into consideration the length of service, grade, performance, merit, key position, future potential contribution, terms of the employment contract, conduct of the employee and such other factors as may be deemed appropriate by it.

6. Administration & Implementation of the Scheme

- 6.1 The Scheme shall be administered by the Committee. The Committee is authorised to interpret the Scheme, to establish, amend and rescind any clause / sub-clause relating to the Scheme, and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Scheme. The Committee may correct any defect, omission or reconcile any inconsistency in the Scheme in the manner and to the extent the Committee deems necessary or desirable. Any decision of the Committee in the interpretation and administration of the Scheme, 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 Grantees and their beneficiaries or successors).
- 6.2 The Committee shall, inter alia, do the following:
 - a) Identify the Eligible Employees to participate under the Scheme.
 - b) Determine the no. of Options to be granted to the identified Eligible Employee and determine the Grant Date including the terms and conditions of the Options to be granted.
 - c) Determine the Vesting schedule and conditions subject to which Vesting may take place.
 - d) Determine the Exercise Period for different Eligible Employees in terms of this Scheme.
 - e) Determine the method for exercising the Vested Options.
 - f) Lay down the procedure for making a fair and reasonable adjustment to the entitlement

including adjustment to the number of Options and/or the Exercise Price as may be required in compliance with the provisions of the Applicable Law, in case of Corporate Action.

- g) Provide for the Grant, Vesting and Exercise of Options in case of the Grantee who have been seconded to any other Subsidiary company of the Company.
 - h) Approve forms or agreements for use under the Scheme.
 - i) Construe and interpret the terms of the Scheme and the Options granted pursuant to the Scheme.
 - j) Devise sub-plan within the overall contours of the Scheme.
 - k) Settle any issues, questions, difficulties, or doubts arising under the Scheme or terms of the Grants made under the Scheme.
 - l) Such other matters in respect of which the Committee is permitted to formulate terms and conditions under Applicable Law.
- 6.3 All decisions made by the Committee in the matter referred to above shall be conclusive and binding on all parties concerned (including, but not limited to, Grantee and their Beneficiaries or successors). Neither the Company nor the Committee shall be liable for any action or determination made in good faith with respect to the Scheme or any Option granted there under.

7. Shares Pool

- 7.1 A maximum of 10,000,000 (Ten Million) Options (“**ESOP Pool**”) may be offered and granted under the Scheme to the Eligible Employees, which on Exercise would entitle not more than 10,000,000 (Ten Million) Shares of the Company.
- 7.2 The ESOP Pool may be adjusted for any Corporate Action in terms of the Scheme and in accordance with the SBEB Regulations.
- 7.3 The maximum number of Options that may be granted per Eligible Employee under the Scheme, in any financial year and in aggregate, shall not exceed 0.25% of the issued capital of the Company at the time of Grant of Options. The maximum quantum of benefits to be granted to an Eligible Employee under the Scheme, will be the difference between the fair value of shares as on the date of Exercise and Exercise Price paid by the Grantee, subject to applicable taxes.
- 7.4 If any Options granted under the Scheme are lapsed / forfeited / surrendered, then such Options shall be added back to the ESOP Pool and shall be available for further Grant under the Scheme as per the discretion of the Committee.

8. Grant of Options

- 8.1 The Committee may, at any time or from time to time in one or more tranches, Grant Options to Eligible Employees in accordance with the terms and conditions of the Scheme for the time being in force.
- 8.2 Each Option will entitle the Grantee to one Share of the Company.
- 8.3 The Grant of Options by the Committee to the Grantee shall be made in writing and communicated to the Grantee. The Grant Letter shall state the number of Options granted, the Vesting Schedule, Vesting Conditions, Exercise Price and Exercise Period or such other terms and conditions as may be decided by the Committee from time to time.
- 8.4 Options may also be granted to Eligible Employees at the time of their joining.
- 8.5 Grant made under clause 8.1 above, is personal to the Grantee and Option cannot be transferred in any manner whatsoever.

9. Vesting of Options and Performance Conditions for Vesting

- 9.1 Subject to the terms contained herein, a Grant made to a Grantee shall conclude a contract between the Grantee and the Company, pursuant to which each Option at the time of Grant shall be an Unvested Option.
- 9.2 Subject to the achievement of the performance conditions and continued employment of the Grantee in the Company or in its Subsidiary companies, the Vesting of Options shall take place in the following manner:

Tranche	% of vesting	Completion of time period
1	33.33%	1 st anniversary from the date of grant
2	33.33%	2 nd anniversary from the date of grant
3	33.34%	3 rd anniversary from the date of grant

- 9.3 The Committee may determine different Vesting schedule for such Eligible Employees based on their length of service, grade, performance, merit, key position, future potential contribution, terms of the employment contract and conduct of the employee, etc. and shall be specified in the Grant Letter. However, the minimum Vesting period shall not be less than one year from the Grant Date. The maximum Vesting period may go up to five years from the Grant Date for such Eligible Employees as determined by the Committee.
- 9.4 In case where Options are granted by the Company under the Scheme in lieu of options held by an employee under an employee stock option scheme of another company which has merged, demerged or amalgamated with the Company or Subsidiary company, then the period during which the options granted by the transferor company were held by such employee shall be adjusted against the minimum Vesting period required under the Scheme.

- 9.5 For the purpose of determining the number of Options to vest in any given tranche, fractional Options may be rounded off to nearest whole number. Such rounding off may be off-setted in the last Vesting such that total number of Options to vest doesn't exceed the total number of Options granted.
- 9.6 All the Options granted under the Scheme to the Grantee shall vest subject to achievement of specified performance conditions. The performance conditions will be linked to the following:
- Individual Performance on Key Resultant Area ("KRA"); and
 - Corporate Performance indicators, as applicable.
- 9.7 100% of Individual Performance on KRA shall be considered as a base for the Vesting of Options for the Grantee below Senior Vice President level, whereas 50% of Individual Performance on KRA and 50% of Corporate Performance indicators shall be considered as a base for the Vesting of Options for the Grantee at Senior Vice President and above level.
- 9.8 Corporate Performance indicators of 50% for the Grantee at Senior Vice President and above level will have an equal weightage of 25% each for Revenue Targets and EBITDA Targets. Targets for these indicators shall be approved by the Board as part of the annual budget of the Company. On the date of grant, the Grantee shall be informed of the Targets to be achieved by the Company for the first financial year and thereafter in the first quarter of every financial year the Grantee shall be informed of the Targets to be achieved for that particular financial year.
- 9.9 The performance Vesting conditions are enumerated in the below table:

Performance Criteria	Performance Metrics	Performance (% of Target/Rating)	Vesting (% of Grant)
Corporate Performance indicators	Revenue - 25% weightage EBITDA - 25% weightage	< 50%	0%
		50% - 99.99%	Proportionate to achievement % of Targets
		>= 100%	100%
Individual Performance on KRA	Based on individual performance ratings	Rating 1	0%
		Rating 2	100%
		Rating 3	100%

- 9.10 The Company shall disclose range-based Targets for Revenue & EBITDA and their achievements in its future Annual Report post Vesting to enable the Shareholders to assess the linkage between performance and Vesting of Options to the Senior Vice President and above level employees.

10. Exercise Price

The Exercise Price of the Options shall be the face value of the Share of the Company which is presently Rs. 2/- per share. The Exercise Price shall be paid to the Company in cash through banking channels or in any other mode as prescribed by the Committee.

11. Exercise of Options

- 11.1 The Vested Options shall be exercisable according to the terms and conditions as determined and set forth under the Scheme. The Vested Options can be exercised within such Exercise Period as may be determined by the Committee and specified in Grant Letter.
- 11.2 Subject to clause 12 below, the Grantee alone can Exercise the Vested Options.
- 11.3 The Grantee can Exercise the Vested Options in one or more tranches within the Exercise Period, subject to clause 11.4 below.
- 11.4 No fraction of a Vested Option shall be exercisable in its fractional form.
- 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 of the relevant Shares to the Grantee, free and clear of any liens, encumbrances and transfer restrictions.
- 11.6 Vested Options shall be exercisable by the Grantee by submission of a written application to the Company or in such manner as may be determined by the Committee and in compliance of other requisite conditions of payment of applicable taxes and Exercise Price. Options shall lapse if not exercised within the Exercise Period and will be added back to the ESOP Pool.
- 11.7 On Exercise, the Grantee can subscribe to the Shares on the full payment of the Exercise Price and subject to deduction of taxes, if any, required to be deducted by the Company in respect of Exercise of the Options. The Company shall allot the Shares to the Grantee after completing the necessary formalities in this regard including seeking necessary confirmations / affirmations / depositions in writing or KYC documents from the Grantee or from the Grantee jointly with another person, provided that the Committee satisfies itself that the Exercise process is complete and conditions of the Scheme are complied with. Subsequent to allotment, no Grantee should seek to sell or otherwise transfer the Shares until there is a confirmation from the Company that the listing procedures with respect to the allotted Shares have been completed.
- 11.8 The Shares of the Company allotted consequent to exercising of Options shall rank pari-passu with the existing Shares of the Company.
- 11.9 There will be no lock in period / transfer related restrictions in respect of the Shares, which may be allotted upon exercising of Options.
- 11.10 The Shares allotted upon exercising of Options shall be listed on such stock exchanges, where the

Shares of the Company are listed.

- 11.11 Notwithstanding anything else contained in this Scheme, if the Grantee does not Exercise his Vested Options within the Exercise Period or time specified in clause 12 below, the Options shall lapse.
- 11.12 There shall be no cashless exercise of the Options unless otherwise decided by the Committee.
- 11.13 The Grantee shall ensure that there is no violation of the Company's Code of Conduct for Prevention of Insider Trading, 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.

12. Termination of employment

In the following circumstances, the Vesting/lapse of Options shall happen in the manner as specified below:

12.1 Retirement / Superannuation:

All Vested Options on the date of retirement shall be exercisable by the Grantee within two years from the date of retirement.

All the Unvested Options will continue to vest as per applicable Vesting schedule outlined in the Grant Letter and the same shall be exercisable upon Vesting within two years from the date of retirement or within 90 days from the date of Vesting, whichever is later.

Further, upon death of the Grantee post-retirement, the Unvested Options shall vest in the nominee(s)/legal heir(s)/successor(s) immediately on the date of death of the Grantee. All Vested Options upon death of the Grantee post-retirement, shall be exercisable by the nominee(s)/legal heir(s)/successor(s) of the Grantee, as the case may be, within two years from the date of death, on payment of the applicable Exercise Price and taxes, failing which, all Vested Options shall lapse.

12.2 Breach of Company/Subsidiary policies or terms of employment and other matters:

All Options granted to such a Grantee including the Vested Options which were not exercised, prior to such breach, shall stand terminated immediately with effect from the date of such breach.

Further, the Options granted including the Vested Options which were not exercised in case of a Grantee who has been suspended from the services of the Company/Subsidiary or to whom a show cause notice has been issued or against whom an enquiry is being or has been initiated for any reason whatsoever including but not limited to fraud, misconduct, violation of the policies/terms of employment/codes of the Company/Subsidiary or for having committed or abetted any illegal or unlawful activity may, on the recommendation of the management, be suspended or kept in abeyance or cancelled.

12.3 On death:

In the event of the death of a Grantee while in employment with the Company/Subsidiary, all the Unvested Options shall vest in their nominee(s)/legal heir(s)/successor(s) immediately on the date of death of the Grantee. All the Vested Options (including those which vest upon the death of the Grantee) shall be exercised by the nominee(s)/legal heir(s)/successor(s) of the Grantee anytime within a period of two years from the date of death, on payment of the applicable Exercise Price and taxes, failing which, all the Options shall lapse.

12.4 On Permanent Incapacity:

In the event of separation of a Grantee due to reasons of Permanent Incapacity while in employment with the Company/Subsidiary, all the Unvested Options shall vest immediately on the date of such Permanent Incapacity. All the Vested Options (including those which vest upon the Permanent Incapacity of the Grantee) shall be exercised by the Grantee within a period of two years from the date of separation due to Permanent Incapacity of the Grantee, on payment of the applicable Exercise Price and taxes, failing which, all the Options shall lapse.

12.5 Other reasons apart from those mentioned above:

In the event of cessation of employment with the Company/Subsidiary during the performance period (i.e., between the Grant Date and before the Vesting date) including on account of resignation by the Grantee that is not covered within the above scope, then all the Unvested Options, shall expire and stand cancelled with effect from the next day of last working day of the Grantee. All the Vested Options shall be exercised by the Grantee within 90 days from the last working day.

12.6 Compliance of post-employment obligations:

In the event the Committee determines that the Grantee has violated any of the post-employment obligations as set out in the employment agreement/appointment letter executed between the Grantee and the Company/Subsidiary or the provisions set out in the Grant Letter, then all Options (unvested and vested) granted to the Grantee, as on the date of such determination, shall expire and stand cancelled with immediate effect and the Grantee will not be permitted to exercise any rights in respect thereof.

12.7 Long leave:

Long leave of the Grantee approved by the Company shall not have any effect on the Vesting and Exercise of Options granted to him under the Scheme.

13. Notices and correspondence

- 13.1 Any notice required to be given by a Grantee to the Company or the Committee or any correspondence to be made between a Grantee and the Company or the Committee may be given or made at investorservices@lupin.com, or at the registered office of the Company.
- 13.2 Any notice, required to be given by the Company or the Committee to a Grantee or any correspondence to be made between the Company or the Committee and a Grantee shall be given or made by the Company or the Committee on behalf of the Company at the address provided by the Grantee to the Company / Subsidiary.

14. Beneficiary designation

Each Grantee under the Scheme may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit under the Scheme is to be delivered in case of his or her death. Each such nomination shall revoke all prior nominations by the same Grantee and shall be in such form as prescribed by the Committee and will be effective only when filed by the Grantee in writing to the Committee during the Grantee's lifetime.

15. Non-transferability of Options

Save as provided in clause 12 above, the Options granted to a Grantee shall not be transferred (except in case of death), assigned, alienated, pledged, attached, hypothecated, mortgaged, sold or otherwise alienated in any other manner.

16. Corporate Action

Subject to the provisions of the Applicable Laws, in the event of any Corporate Action, the Committee, shall make fair and reasonable adjustments to the number of Options (granted/to be granted) and/or the Exercise Price as may be required in compliance with the provisions of the Applicable Laws.

17. Withholding Tax

- 17.1 All Options granted under the Scheme shall be subject to all applicable withholding tax requirements, if any, under the Income Tax Law and the Company or Committee may withhold such taxes accordingly.
- 17.2 Notwithstanding anything else contained in this Scheme, no Shares shall be allotted to the Grantee or his Beneficiary, on Exercise of the Options under this Scheme unless appropriate taxes as required under the Income Tax Law, are discharged.

- 17.3 Any Income Tax liability arising upon exercising of Options and sale of allotted Shares, shall be borne by the employee.

18. Method of valuation

The Company shall value the Options granted under the Scheme at their 'fair value' or such other method in accordance with the SBEB Regulations.

19. Accounting and Disclosures

In compliance with SBEB Regulations, the Company shall comply with the applicable disclosures requirements, accounting policies and accounting standards as issued by the competent/relevant authorities from time to time.

20. Arbitration

- 20.1 In the event of a dispute arising out of or in relation to the provisions of this Scheme (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.
- 20.2 Subject to the provisions of clause 6 of the Scheme and at the discretion of the Committee, any dispute being a subject matter of this Scheme can be referred to Arbitration. The arbitration proceedings shall be held in Mumbai, India under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof.

21. Governing Laws and Jurisdiction

- 21.1 This Scheme and all agreements thereunder shall be governed by and construed in accordance with the Applicable Laws of India.
- 21.2 Any term of the Scheme that is contrary to the requirement of the Income Tax Law, SBEB Regulations or any other Applicable Law shall not apply to the extent it is contrary and such provision or requirement of the Income Tax Law, SBEB Regulations or any other Applicable Law shall prevail over the relevant provision of the Scheme as if it is originally contained in the Scheme.
- 21.3 The Courts in Mumbai, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this Scheme.
- 21.4 Nothing in this clause shall however limit the right of the Company to bring any proceedings against any Grantee or Grantee(s) in connection with this Scheme:
- (i) in any other Court of competent jurisdiction; or
 - (ii) con-currently in more than one jurisdiction.

22. Regulatory approvals

The implementation of the Scheme, the granting of any Options under the Scheme and the issuance of any Shares under this Scheme shall be subject to the procurement by the Company and the Grantees, of all approvals and permits required by any regulatory authorities having jurisdiction over the Scheme, the Options and the Shares issued pursuant thereto. The Grantees under this Scheme will, if requested by the Committee, provide such assurances and representations to the Company, as the Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

23. No Discrimination

Nothing in this Scheme may be deemed to be discriminating amongst the Employees or the Eligible Employees on the grounds of gender, age, nationality, race, ethnicity, language or otherwise. The Scheme in terms of coverage of the Eligible Employees is in consonance with prevailing management practices and remuneration principles and is not discriminating against any section of Employees.

24. Modification of Scheme

- 24.1 Subject to the Applicable Law, the Committee may at any time, by way of resolution, amend, modify, vary, change, revise or alter the terms and conditions of the Scheme or all or any of the rights and obligations of the Grantees including to the extent necessary to cause the Scheme to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (i) in India or (ii) outside of India in relation to Options proposed to be granted or granted under this Scheme. Unless required under the provisions of the Applicable Law, no variation, alteration, addition or amendment to the Scheme can be made if it is detrimental to the interest of the Grantee/ Grantees.
- 24.2 Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Grantees / each class or category of Grantees. Each of such sets of special terms and conditions shall be restricted in its application to those Grantees / class or category of the Grantees;

25. Miscellaneous provisions

- 25.1 The Grantee shall have no rights as a Shareholder until the name of the Grantee has been entered in the Register of Members of the Company as the holder of the Shares.
- 25.2 The Grantee shall not have the right to receive any dividend or to vote or in any manner enjoy the benefits available to a Shareholder in respect of the Options granted to him/her, till Shares are issued to him/her upon Exercise of the Vested Options.
- 25.3 This Scheme shall not form part of any contract of employment between the Company and any Eligible Employee and the rights and obligations of any Eligible Employee under the terms of his office or employment shall not be affected pursuant to the Options granted under the Scheme.

- 25.4 This Scheme shall not confer on any person any legal or equitable rights against the Company or the Committee directly or indirectly or give rise to any cause of action at law or in equity against the Company or the Committee.
- 25.5 The Company shall bear the costs of establishing and administering this Scheme, 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 Scheme.
- 25.6 A Grantee shall obtain all necessary consents that may be required to enable the Company to allot Shares in accordance with the provisions of this Scheme. By submitting the Exercise form, the Grantee thereof is deemed to have represented to the Company or the Committee that he has obtained all such consents and has complied with the provisions of the Applicable Law.
- 25.7 The Grant of Option does not constitute guarantee or continuity of employment and the Company shall reserve the right to terminate the employment of Grantee with the Company in accordance with the terms of employment. Grantee shall be deemed irrevocably to have waived any entitlement, by way of compensation for loss of office or otherwise howsoever, to any sum or other benefit to compensate him for loss of any rights under this Scheme.
- 25.8 The right to Exercise the Vested Options is entirely voluntary and the Company or the Committee does not guarantee any return on Shares.
- 25.9 This Scheme 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.
- 25.10 In the event that any term, condition or provision of this Scheme being held to be a violation of any Applicable law, statute or regulation, the same shall be severable from the rest of this Scheme and shall be of no force and effect and this Scheme shall remain in full force and effect as if such term, condition or provision had not originally been contained in this Scheme.

26. Set-off

The Company may convey to the Grantee that the Shares shall be subject to set-off or counterclaim of amounts owed by the Grantee to the Company or Subsidiary, to the extent permitted under the Applicable Laws.

27. Effect of termination of the Scheme

Termination of the Scheme shall not affect Options already granted and such Options shall remain in full force and effect as if the Scheme had not been terminated unless mutually agreed otherwise between the Grantees and the Committee/the Company.

28. Confidentiality

- 28.1 The Grantee shall not divulge the details of the Scheme and/or his holdings to any person except with the prior written permission of the Committee unless so required to do so under any statutes or regulations applicable to such Grantee.
- 28.2 On Grant of Options, it shall be deemed that as if the Grantee has authorized the Company to disclose information relating to the Grantee during the process of implementation of the Scheme or 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.
