

| GRIL HR POLICIES & PROCEDURES | | | |
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| Policy Name | Employees Stock Option Scheme | Number | GRIL/HR-304 |
| Supersedes | N/A | Effective from | 2022/09/01 |

PART A: STATEMENT OF RISKS

An investment in Equity Shares / Options is subject to risk as the value of Equity Shares may go down or go up. You should carefully consider all the information in this Scheme, including the risks and uncertainties described below, before making an investment in the Equity Shares. If profitability and financial condition of the Company gets affected, the price of our Equity Shares / Options could decline, and you may lose all or part of your investment in the Equity Shares / Options. Unless specified or quantified in the Scheme, we are not in a position to quantify the financial or other implication of any of the risks.

In addition, Options are subject to the following additional risks:

- a. **Concentration:** The risk arising out of any fall in value of Shares is aggravated if the Employee's holding is concentrated in the Shares of a single Company.
- b. **Leverage:** Any change in the value of the Share can lead to a significantly larger change in the value of the Options.
- c. **Illiquidity:** The Options cannot be transferred to anybody and therefore the Employees cannot mitigate their risks by selling the whole or part of their benefits before they are exercised.
- d. **Vesting:** The Options will lapse if the employment is terminated prior to vesting. Even after the Options are vested, the unexercised Options may be forfeited if the Employee is terminated for gross misconduct.

PART B: INFORMATION ABOUT THE COMPANY**1. Business Profile of the Company**

G R Infraprojects Limited (“Company”) was incorporated on December 22, 1995. Its CIN is L45201GJ1995PLC098652 and is presently having its registered office at Revenue Block No. 223, Old Survey No. 384/1, 384/2 Paiki and 384/3, Khata No. 464, Kochariya, Ahmedabad, Gujarat – 382220.

Present Business activities of the Company are as follows:

We are an integrated road engineering, procurement, and construction (“EPC”) company with experience in design and construction of various road/highway and railway/metro projects across various States in India and having recently diversified into projects in the power transmission sector. Our principal business operations are broadly divided into three categories: (i) civil construction activities, under which we provide EPC services; (ii) development of roads, highways on a Build Operate Transfer (“BOT”) basis, including Hybrid Annuity Model (“HAM”); and (iii) manufacturing activities, under which we process bitumen, manufacture thermoplastic road-marking paint, electric poles, road signage, fabricate, and galvanize metal crash barriers.

Main Objects of the Company as stated in the Memorandum of Association of the Company are as follows:

- a. To take over running business of M/s. Gumani Ram Agarwal, a partnership firm and acquire by gift or otherwise, manage, develop, construct, build, erect, re-erect, demolish, alter, maintain, repair, remodel, exchange, lease, rent out roads, highways, docks, bridges, canals, dams, reservoirs, wells, turnkey projects or any other infra-structural or architectural work of any kind whatsoever and to prepare or obtain estimates, designs, drawings, plans, specifications or models and to prepare or obtain estimates, designs, drawings, plans, specifications or models and to do such other or any act that may be requisite thereof and to carry on manufacturing and trading business of infra industry related materials, equipment or dealing in or agents for erection materials, furnishing items, tools, implements, machinery and metalware in connection therewith.
- b. To carry on business profession of civil, mechanical, and electrical consultancy.
- c. To engage and deal in all aspects of the business, consultancy, generation, transmission, sale, purchases, captive consumption, supply and distribution of power/electricity in India and abroad by establishment of wind power plant or any other type of power generation plant using conventional and/or non-conventional energy source as may be in use, or which may be developed or invented in future.
- d. To carry on in India or elsewhere activities to process, store, grind, clean, mix, grade, polish, cann, import, export, buy, sell, warehouse, and to act as agent, broker, stockists, indenter, consignor, merchant, adhatia, or otherwise to deal in all types of seeds, grains, vegetables, foods, cereals, herbals, flowers, fruits, edibles, non-edibles, commercial, non-commercial crops and to act as grazers, nursery men, seed breeders, horticulturists, floriculturists, tissue-culturists, all under controlled conditions, and for the purpose to purchase, acquire, take on lease or license any private or government land and to do all incidental acts and things necessary for the attainment of the foregoing objects.
- e. To purchase, acquire, take on lease, or in exchange or in any other lawful manner any area, lands, buildings, structures and other immovable properties or any interest therein and to develop, construct, sell, lease, dispose of or maintain the same and carry on all or any of the functions for

the promotion and development of flats, apartments, dwelling houses, shops, offices, clubs, residential layouts, industrial parks, resorts and hold, lease or sell the same to intending users and purchasers.

- f. To provide Information Technology (IT) related services, including but not limited to multimedia services, internet based services, including all types of end to end integrated solutions involving information system developing, designing, marketing of communication platform(s), with features and functionality, software designing, development, customization, implementation, maintenance, testing and benchmarking, and dealing in computer software and solutions, and to provide internet / web based applications, services and solutions, provide or take up Information technology related assignments on sub-contracting basis, offering services onsite/ offsite or through development centres using owned /hired or third party infrastructure and equipment, providing solutions/ Packages/ services through applications services provider mode via internet or otherwise, to undertake IT enabled services like call Centre Management, Medical and legal transcription, data processing, Back office processing, data warehousing and database management.

2. Abridged Financial Information

The abridged financial information for the last 5 (Five) years for which audited financial information is available along with last audited accounts, is available at the website of the Company at a given below link:

<https://www.grinfra.com/g-r-infraprojects-limited/>

3. Risk Factors for the Company

The Company's business is subject to various generic risks and industry specific risks including those specified below:

3.1 Sensitivity to Foreign Exchange Fluctuation:

In this globalized world, the Company engages in financial transactions outside the Country and accordingly the Receipts will be based in the form of a currency which is not in Indian Denomination. Any appreciation/depreciation of the Indian currency or the appreciation/depreciation of the denominated currency will affect the cash flows emanating from that transaction.

3.2 Difficulty in availability of raw materials

The Company's operations are increasingly dependent for the proper functioning of their business, in terms of raw material and product supply, new products and sales and marketing programme development, technology, funding and support services. Any underperformance or failure to control properly the Company's operations could therefore impact the Company's business and materially adversely impact the performance or financial condition of the Company.

3.3 Cost/ Time Overrun:

Controlling time and cost overrun of the operations is very crucial in achieving successful completion of any projects. In case there is extension in estimated time and cost beyond the projected limit, it can decrease the profits of the Company.

3.4 Industry Specific Risks:

Change in government regulations or their implementation could disrupt the operations and adversely affect the business and results of the Company, due to which Company may incur increased cost and penalties.

3.5 Dynamic scenario:

Change in technology may render our current technology obsolete and require us to make substantial investment which could affect the Company finance and operation.

3.6 Political instability or changes in the Government in India or in the Government of the states where we operate could cause us significant adverse effects:

We are incorporated in India and most of our operations, assets and personnel are located in India. Consequently, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

The government has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business is also impacted by regulation and conditions in the various states in India where we operate. Since 1991, successive governments have pursued policies of economic liberalisation and financial sector reforms. However, there can be no assurance that such policies will be continued. Any political instability could affect the rate of economic liberalisation, specific laws and policies affecting foreign investment, the power industry or investment in our Equity Shares. A significant change in the government's policies, in particular, those relating to our field, could adversely affect our business, results of operations, financial condition and prospects and could cause the price of our Equity Shares to decline.

3.7 Risk arising from changes in interest rates and banking policies:

Increased interest rates will have a bearing on profitability and credit controls will have an effect on our liquidity and will have serious effects on adequate working capital requirements.

The above risks and uncertainties include but are not limited to risks and uncertainties relating to dependencies on few customers and suppliers, changes in the regulatory framework, adverse development in the any of the customer industries to whom substantial part of the product is given, downgrading of credit worthiness, political instability, legal restrictions, and general economic conditions affecting the industry.

4. Continuing Disclosure Requirement

The Option Grantee shall be entitled to receive copies of all the documents that are sent to the Members of the Company. This shall include the annual accounts of the Company as well as notices of the meetings and the accompanying explanatory statements.

PART C: G R INFRAPROJECTS LIMITED

EMPLOYEES STOCK OPTION SCHEME – 2021

1. Name and Objective of the Scheme

- 1.1.** The Employee Stock Option Scheme shall be called the G R Infraprojects Limited Employees Stock Option Scheme – 2021 (“Scheme”).
- 1.2.** Company recognizes that the employees are the most important resource and asset to the company. The objective of the Scheme is -
 - a. To motivate the Employees to contribute to the growth and profitability of the Company.
 - b. To retain the key Employees and reduce the attrition rate of the Company.
 - c. To achieve sustained growth and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company.
 - d. To create a sense of ownership and participation amongst the Employees to share the value they create for the Company in the years to come, and
 - e. To provide additional deferred rewards to Employees.
- 1.3.** The Scheme shall be effective from 27th day of September 2021 being the date of Shareholders approval.

2. Term of the Scheme

- 2.1.** The Scheme shall continue in effect unless terminated by the Board of Directors.
- 2.2.** Any such 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 Option Grantee / Nominee / Legal Heirs and the Company.

3. Definitions

- 3.1.** In this Scheme, except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against.
 - 3.1.1.** **“Abandonment”** means absence of an Employee from work for a period of 30 days or more without having communicated to the Employer any reason of absence.
 - 3.1.2.** **“Applicable Law”** includes all the legal statutes, acts of legislature or parliament, byelaws, rules, regulations, policies, directives, notifications, and orders of any government, statutory authority, tribunal, board, court, or recognized stock exchange(s) on which the shares of the Company may be listed, to the extent applicable to stock options, including, but not limited to the Companies Act, 2013,

Securities and Exchange Board of India Act, 1992, SEBI (SBEB & SE) Regulations, and the Income-tax Act, 1961.

- 3.1.3. **“Associate Company”** shall have the same meaning as defined in section 2(6) of the Companies Act, 2013, as amended from time to time.
- 3.1.4. **“Board of Directors / Board”** means the Board of Directors of the Company.
- 3.1.5. **“Body Corporate”** shall have the same meaning as defined in section 2(11) of the Companies Act, 2013, as amended from time to time.
- 3.1.6. **“Cash Mechanism”** means a route under which the Option Grantee will receive the Shares equivalent to the number of the Options exercised after the Option Grantee has made the payment of the Exercise Price, applicable tax and other charges, if any, in accordance with the terms and conditions of the Scheme and as mentioned in grant letter.
- 3.1.7. **“Committee”** means the nomination and remuneration committee constituted by the Board from time to time, to monitor, administer, supervise and implement the Scheme and other employee benefit plan/schemes, if any. It shall comprise of such members of the Board as provided under Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and designated as compensation committee under Regulation 5 of the SEBI (SBEB & SE) Regulations.
- 3.1.8. **“Companies Act”** means the Companies Act, 2013, furthermore the rules made thereunder, and includes any statutory modifications or re-enactments thereof.
- 3.1.9. **“Company”** means ‘G R Infraprojects Limited’, a company registered in India under the provisions of the Companies Act, 1956, having CIN: L45201GJ1995PLC098652 and having its registered office at Revenue Block No 223, Old Survey No - 384/1, 384/2 Paiki and 384/3, Khata No – 464, Kochariya, Ahmedabad, Gujarat– 382220, India, or as shifted from time to time, and its successors and assigns.
- 3.1.10. **“Corporate Action”** means a change in the capital structure of the Company as a result of Bonus Issue, Rights Issue, Split of Shares and Consolidation of Shares.
- 3.1.11. **“Director”** shall have the same meaning as defined under section 2(34) of the Companies Act, 2013
- 3.1.12. **“Eligibility Criteria”** means the criteria as determined by the Committee for the purpose of granting options to the employees.
- 3.1.13. **“Eligible employee”** means an employee as determined by the Committee for the purpose of granting options under this Scheme.
- 3.1.14. **“Employee”** means -
 - a. an employee as designated by the company, who is exclusively working in India or outside India; or

- b. a director of the company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or
 - c. an employee as defined in sub-clauses (a) or (b), of a group company including subsidiary or its associate company, in India or outside India, or of a holding company of the company, but does not include:
 - (i) an employee who is a promoter or a person belonging to the promoter group; or
 - (ii) a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company.
- 3.1.15. “Employer”** means the Company, its holding company, its subsidiary companies or associate company.
- 3.1.16. “Employee Stock Option/ Option”** means an option granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the Shares underlying the Option offered by the Company at a pre-determined price.
- 3.1.17. “Exercise”** in relation to an option means making of an application by an Option Grantee to the company for issue of Shares vested options in pursuance of the Scheme.
- 3.1.18. “Exercise Date”** means the date on which the Option Grantee elects to exercise the options.
- 3.1.19. “Exercise Period”** in relation to options means the time-period after vesting within which an Option Grantee can exercise his right to apply for shares against the vested option in pursuance of the Scheme.
- 3.1.20. “Exercise Price”** means the price payable by the Option Grantee for exercising the options vested in him in pursuance of the Scheme.
- 3.1.21. “Grant”** means issue of options granted under the Scheme.
- 3.1.22. “Grant Date”** means the date on which the committee approves the Grant.
- 3.1.23. “Group”** means two or more companies which, directly or indirectly, are in a position to
- (i) exercise twenty-six per cent. or more of the voting rights in the other company; or
 - (ii) appoint more than fifty percent of the members of the Board of Directors in the other company; or
 - (iii) control the management or affairs of the other company.
- 3.1.24. Holding Company”** shall have the same meaning as defined under Section 2(46) of the Companies act, 2013, as amended from time to time.

- 3.1.25. “Independent Director”** shall have the same meaning as assigned to it under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3.1.26. “Insider”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- 3.1.27. “Long Leave”** means an approved leave taken by the Option Grantee for a period of more than three months out of twelve months starting from the date of grant / vesting, as the case may be.

In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Long Leave unless otherwise determined by the Committee.

- 3.1.28. “Market Price” or “Fair Market Value”** means the latest available closing price on a Recognized Stock Exchange on which the Shares of the Company are listed, immediately prior to the Relevant Date.

Please note: As the shares of the Company are listed on more than one Recognized Stock Exchange, the closing price of the shares on the Recognized Stock Exchange with higher trading volume shall be considered as the Market Price.

- 3.1.29. “Misconduct”** means any of the following acts or omissions by an employee in addition to any breach of terms of employment as determined by the Committee after giving the employee an opportunity of being heard, wherever required:
- a. breach of any of the terms or conditions of the employment agreement including any wilful neglect of or refusal to carry out any of the assigned duties; or
 - b. breach or violation of any Company Code of Conduct/ Policies/ rules; or
 - c. conduct which amounts to a serious breach of trust and confidence of the Company; or
 - d. having acted or attempted to act in any way which has brought or could bring the Company or any other member of the group into disrepute or discredit; or
 - e. being convicted of a criminal offence; or
 - f. committing of any act warranting termination under law
- 3.1.30. “Nominee”** means any person appointed by the eligible employee as provided in clause 14 hereunder.
- 3.1.31. “Option Grantee”** shall mean Employee to whom Options have been granted under the Scheme.
- 3.1.32. “Permanent incapacity / disability”** means any disability of whatsoever nature, be it physical, mental, or otherwise, which prevents or incapacitates or handicaps an Option Grantee from performing any specific work, job or task which the said employee was capable of performing immediately before such disablement, as determined by the Committee based on a certificate of a medical expert identified by the Company.

- 3.1.33. “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.
- 3.1.34. “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.
- 3.1.35. “Recognised Stock Exchange”** means a stock exchange which has been granted recognition under section 4 of the Securities Contracts (Regulation) Act, 1956.
- 3.1.36. “Relative”** shall have the same meaning as defined in section 2(77) of the Companies Act, 2013, as amended from time to time.
- 3.1.37. “Relevant date”** means the date of the meeting of the Committee on which the grant is made.
- 3.1.38. “Scheme”** means the “G R Infraprojects Limited Employees Stock Option Scheme – 2021” defined hereof.
- 3.1.39. “SEBI (SBEB & SE) Regulations”** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and shall include any alteration(s), amendment(s), addition(s), deletion(s), modification(s), or variation(s) thereof.
- 3.1.40. “Shares”** means equity shares of the Company, fully paid-up including the equity shares arising out of the exercise of Options granted under the Scheme.
- 3.1.41. “Shareholder”** means a person who is registered as a shareholder in the shareholder records of the company.
- 3.1.42. “Subsidiary”** shall have the same meaning as defined under Section 2(87) of Companies Act, 2013, as amended from time to time.
- 3.1.43. “Unvested option”** means an option 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.
- 3.1.44. “Vesting”** means the process by which an Option Grantee becomes eligible to exercise his rights to exercise the options granted to him under the Scheme.
- 3.1.45. “Vesting date”** with respect to an option means the earliest date on which the rights under the options may be exercised by an Option Grantee.
- 3.1.46. “Vesting period”** means the period during which the vesting of the Option granted to an Option Grantee, in pursuance of the Scheme takes place.
- 3.1.47. “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.

3.1.48. "Whole Time Director" shall have the same meaning as defined in section 2(94) of the Companies Act, 2013, as amended from time to time.

3.2. Interpretations

In this document, unless the contrary intention appears:

- a. The singular words include the plural words and vice-a-versa.
- b. The word "person" includes an individual, a firm, a body corporate or unincorporated or any authority.
- c. Any words importing a gender include any other gender.
- d. The clause headings are for ease of reference only and shall not be relevant to interpretation.
- e. A reference to a clause or schedule is a reference to any part of that clause or schedule of this document.
- f. Reference to any Act, Statute, Rules or Notification shall include any statutory substitution, modification, or re-enactment thereof.
- g. Any word which is not defined under the Scheme shall be interpreted in line with SEBI (SBEB & SE) Regulations, Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956 or the Companies Act, 2013 and any statutory modification or re – enactment thereto, shall have the meanings respectively assigned to them in those legislation.

4. Authority and Ceiling

- 4.1.** The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 1% of the Paid-up Capital of the Company as on March 31, 2021, comprising 9,66,890 (Nine Lakhs Sixty-Six Thousand Eight Hundred Ninety) Options which shall be convertible into equal number of Shares.
- 4.2.** The maximum number of Options that can be granted to any eligible Employee during any one year shall not be equal to or exceed 1% of the issued capital of the Company (excluding outstanding warrants and conversions) at the time of grant. The Committee may decide to grant such number of Options equal to or exceeding 1% of the issued capital to any eligible Employee as the case may be, subject to the separate shareholders' approval.
- 4.3.** If any Option granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be available for further grant under the Scheme unless otherwise determined by the Committee.
- 4.4.** Further, the maximum number of Options that can be granted and the Shares arise upon exercise of these Options shall stand adjusted in case of corporate action.
- 4.5.** The Company reserves the right to increase or decrease such number of Options and Shares as it deems fit, in accordance with the applicable laws.

5. Implementation and Administration

- 5.1.** The Scheme shall be implemented through direct route for extending the benefits to the eligible Employees by the way of fresh allotment and will follow cash mechanism.

Provided that if prevailing circumstances so warrant, the Company may change the mode of implementation of the Scheme subject to the condition that a fresh approval of the Shareholders by a special resolution is obtained prior to implementing such a change and that such a change is not prejudicial to the interests of the Option Grantee.

- 5.2.** The Company will allot fresh Shares to the Option Grantees upon successful exercise of Options in accordance with terms and conditions of the Scheme.
- 5.3.** The Scheme shall be administered by the Committee.
- 5.4.** All questions of interpretation of the Scheme or any Option shall be determined by the Committee and such determination shall be binding upon all persons having an interest in the Scheme or in any Option issued thereunder.
- 5.5.** The Committee is authorized to interpret the Scheme, to establish, amend and rescind any rule(s) and regulation(s) relating to the Scheme and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Scheme.
- 5.6.** 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 the parties concerned (including but not limited to, Grantee and/or Employee and their Nominees / Legal heirs).
- 5.7.** Subject to the terms of the Scheme, the powers of the Committee, inter alia, include the power to:
 - a. Increase or decrease the pool of Options to be granted under Scheme.
 - b. Increase or decrease the pool of Shares to be issued under Scheme.
 - c. Identify the Persons eligible to participate in the Scheme
 - d. Determine the grant date.
 - e. Grant Options to one or more eligible Employees.
 - f. Calculate the exercise price after giving due discount, if deems fit.
 - g. Extend the period of acceptance of grant.
 - h. Determine the vesting schedule for each Option Grantee.
 - i. Finalize the eligibility criteria for vesting of Options.
 - j. Determine the Employees eligible for vesting of Options.
 - k. Decide upon the mode and manner of exercise.
 - l. Allot Shares to Option Grantees upon exercise.
 - m. Decide upon treatment of vested and unvested Options in cases of cessation of employment as specified in the Scheme.
 - n. Determine the number of the Options to be granted under the Scheme to each eligible employee, subject to the ceiling as specified in clause 4.1.
 - o. Determine the Eligibility Criteria for grant of Option to the employees.
 - p. Determine the performance parameters for grant and/or vesting of options granted to an eligible employee.
 - q. Specify the Exercise Period within which the Employee shall Exercise the Option and that Option would lapse on failure to Exercise the Option within the Exercise Period;
 - r. Specify the time-period within which the Employee shall Exercise the Vested Option

- s. Decide upon the treatment of vested and unvested Options in the event of Corporate Actions taking into consideration the following:
 - (i) the number of Options and the Exercise Price of Option shall be adjusted in a manner such that total value of the Option remains the same after the corporate action; and
 - (ii) the Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Option Grantees.
 - t. Determine the vesting period of the grant made to any eligible employee and/or any conditions subject to which such vesting may take place
 - u. Accelerate the vesting of Options on a case-to-case basis, subject to completion of minimum 1 year from the date of grant.
 - v. Specify the conditions under which Options vested in eligible employees may lapse in case of termination of employment for misconduct, fraud or where an employee voluntarily resigns from the company or its subsidiary or joins competition etc.
 - w. Define the time-period within which the eligible employee shall exercise the vested options in the event of resignation or termination by an employee.
 - x. Provide for the right of an eligible employee to exercise all the options vested in him at one time or at various points of time within the exercise period.
 - y. Lay down the tax liability of employees, if any.
 - z. Define the lock-in period if any for the Shares issued pursuant to exercise of option.
 - aa. To decide upon treatment of vested and unvested Options in cases of dispute between the Option Grantee and Company.
 - bb. To finalize letters and other documents, if any, required to be issued under the Scheme.
 - cc. To re price the Options which are not exercised, whether or not they have been vested, if the Options rendered unattractive due to fall in the price of the Shares in the market.
 - dd. To establish, amend, suspend or waive such rules and regulations as it shall deem appropriate for the proper administration of the Scheme.
 - ee. To appoint such agents as it shall deem necessary for the proper administration of the Scheme.
 - ff. To determine or impose other conditions to the grant of Options under the Scheme, as it may deem appropriate.
 - gg. the procedure for buy-back of Options granted, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:
 - (i) permissible sources of financing for such buy-back;
 - (ii) minimum financial thresholds to be maintained by the Company as per its last financial statements; and
 - (iii) quantum of options that the Company may buy-back in a financial year.
- 5.8.** A member of the Committee shall abstain from participating in and deciding on any matter relating to grant of any Options to himself.

6. Applicability and Eligibility

- 6.1.** The Scheme is applicable to the Company, its Subsidiary Company(ies) including Group Company, Associate Company or Holding Company of the Company and any successor

Company thereof and may be granted to the eligible employees, as determined by the Committee at its sole discretion.

- 6.2.** The Committee may on the basis of all or any of the following criteria, decide on the Employees who are eligible, for the grant & vesting of Options under the Scheme and the terms and conditions thereof, keeping in view:
 - a. Loyalty: It will be determined on the basis of tenure of employment of an Employee in the Company.
 - b. Performance of Employee: Employee's performance during the financial year in the Company on the basis of decided parameters.
 - c. Performance of Company: Performance of the Company as per the standards set by the Board of Directors.
 - d. Any other criteria as decided by the Nomination and Remuneration Committee in consultation with Board of Directors from time to time.
- 6.3.** The Employees satisfying the eligibility criteria shall be termed as eligible Employee.
- 6.4.** Nothing in the Scheme or in any Option granted pursuant to the Scheme shall confer on any Employee, any right to continue in the employment of the Company or interfere in any way with the right of the Company to terminate the Employee's employment at any time.

7. Grant and Acceptance of Grant

7.1. Grant of Options

- a. Grants contemplated under the Scheme shall be made annually or biannually or any other frequency every year, on such days and months, as decided by the Committee at its discretion.
- b. Each Grant of Option under the Scheme shall be made in writing by the Company to the eligible employees by way of letter of Grant containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Laws.
- c. No amount shall be payable by an Employee at the time of grant of Options.
- d. Upon grant, an eligible Employee shall become Option Grantee under the Scheme.
- e. Subject to the corporate action(s) taken by the Company, if any, the grant of 1 (One) Option shall entitle the holder of the Option to apply for 1 (One) Share in the Company upon payment of exercise price, applicable taxes and other charges, if any.

7.2. Acceptance of the Grant

Any eligible employee who wishes to accept the Grant made under Scheme must deliver to the Company a duly signed acceptance of the letter of Grant on or before the date ("Closing Date") which shall not be more than 30 days from the date of the Grant, as specified in the letter of Grant.

- 7.3.** Any eligible 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 Committee determines otherwise.

8. Vesting Schedule and Vesting Conditions

- 8.1.** Vesting period shall commence from the grant date and shall be minimum 1 (One) year from the grant date and a maximum of 4 (Four) years from the grant date, at the discretion of and in the manner prescribed by the Committee.

Provided further that in the event of death or permanent incapacity of an Option Grantee, the minimum vesting period of one year shall not be applicable and in such instances, the Options shall vest in terms of SEBI (SBEB & SE) Regulations, on the date of the death or permanent incapacity.

- 8.2.** The vesting schedule will be clearly defined in their grant letter of respective Grantees subject to minimum and maximum vesting period as specified in Clause 8.1 above.
- 8.3.** Actual vesting would be subject to the continued employment of the Grantee and may further be linked with the eligibility criteria, including those mentioned under Article 7 of the Scheme, as determined by the Committee, and mentioned in the grant letter.
- 8.4.** The Options which get lapsed due to eligibility criteria in any of the vesting, if any, will get lapsed from the hands of the Grantee. However, the Committee, may still allow the vesting of Options for which the eligibility criteria is not met, if so deems fit, either on wholly or proportionately basis.
- 8.5.** As a prerequisite for a valid Vesting, the employee with grants is required to be in employment or service of the Company/ its Subsidiary Company(ies) on the date of Vesting and must neither be serving his notice for termination of employment/ service, nor be subject to any disciplinary proceedings pending against him on such date of Vesting. In case of any disciplinary proceedings, the Committee can keep the relevant Vesting in abeyance until disposal of the proceedings and such Vesting shall be determined accordingly.
- 8.6.** Further any fraction entitlement, to which the Option Grantee would become entitled to upon vesting of Options (other than the last tranche of vesting), then the Options to be actually vested, be rounded off to the nearest lower integer. Accordingly, in the last vesting, the number of the Options to be vested shall include the Options which was not earlier vested due to fraction adjustment.
- 8.7.** The Committee shall have the power to modify or accelerate the vesting schedule on a case-to-case basis subject to the minimum gap of 1 (One) Year between the grant and first vesting.
- 8.8.** The Vesting schedule and specific Vesting Conditions subject to which Vesting would take place shall be specified in the letter issued to the employee at the time of Grant.
- 8.9.** The Option Grantee is not required to pay any amount at the time of vesting of the Options.

9. Exercise of Options

9.1. Exercise Price

- a. Under the Scheme, the exercise price shall not be less than the face value and shall not be more than Fair Market Value (FMV) of an equity share of the Company at the time of grant of option as determined by the committee from time to time and shall be in conformity with the applicable accounting policies, if any.
- b. Payment of the Exercise Price shall be made by a demand draft or a crossed cheque or by electronic mode through banking channels such as Immediate Payment Service (IMPS), National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), or in such other manner as the Committee may decide.
- c. The tax amount arising at the time of exercise shall be payable at the time of exercise by demand draft or a crossed cheque or by electronic mode through banking channels such as Immediate Payment Service (IMPS), National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), or in such other manner as the Committee may decide.
- d. The amount paid by the employee, if any, for the exercise of option may be refunded, if the option is not exercised by the employee within the exercise period.

9.2. Exercise Period

- a. After vesting, Options can be immediately exercised within the exercise period, either wholly or in part, through cash mechanism after submitting the exercise application along with exercise price and applicable taxes.
- b. The mode and manner of the exercise will be communicated to the Grantees individually.
- c. Exercise while in employment:
The exercise period shall be up to 3 (Three) years from the date of respective vesting. The specific exercise period shall be decided at the time of grant.
- d. Exercise in case of separation from employment:
Subject to maximum Exercise Period stated in clause 9.2.a and subject to Applicable Law, the Vested Options can be exercised as under:

| S. No. | Events of Separation | Vested Options | Unvested Options |
|--------|------------------------------------|---|---|
| 1. | Voluntary separation / Resignation | Vested options shall be exercisable within a period of 90 days from the effective termination date. | Unvested options stand cancelled from the date of submission of resignation |
| 2. | Termination - Redundancy | Vested options shall be exercisable within a period of 90 days from the effective termination date. | Unvested options stand cancelled with effect from the date of termination |

| | | | |
|----|--|---|---|
| 3. | Termination - Misconduct/ Abandonment of service/ Any other reason | Vested options stand cancelled with effect from the date of termination | Unvested options stand cancelled with effect from the date of termination |
| 4. | Retirement / Superannuation | Vested options shall be exercisable within a period of 90 days from the last working day. | The unvested Options shall lapse. However, the Committee may on its discretion, decide, if unvested options shall continue to vest. The decision of the Committee shall be final and binding. |
| 5. | Separation from employment of a Director who have vacated the office due to retirement | Vested Options can be Exercised within the exercise period as per the terms of the grant | The unvested Options shall lapse. However, the Committee may on its discretion, decide, if unvested options shall continue to vest. The decision of the Committee shall be final and binding. |
| 6. | Permanent Incapacity | Vested options may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than six months from the date of death. | All the unvested options shall vest immediately in the option Grantee and can be exercised in the same manner as prescribed for the vested Options. |
| 7. | Death | Vested options may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than six months from the date of death. | All the unvested options shall vest immediately in the option Grantee's nominee / legal heir and can be exercised in the same manner as prescribed for the vested Options. |
| 8. | Long leave | In the event of an Option Grantee going on Long Leave, the treatment of Options granted to him/her, whether vested or not, shall be determined by the Committee, whose decision shall be final & binding. | |
| 9. | Transfer/ Deputation | In the event that an Option Grantee is transferred or deputed to an Associate Company prior to vesting or exercise of Options, the vesting and exercise of Options, as per the terms of grant, shall continue in case of such transferred or deputed Option Grantee, even after the | |

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|-----|--|--|---|
| | | transfer or deputation and shall be governed in accordance with this policy. | |
| 10. | Dispute between Option Grantee and the Company | In the event where a Dispute arises between Grantee and the Company, vesting and/or exercise of Options will be put on hold till the date of settlement, to the satisfaction of the Committee. | |
| 11. | Plan of arrangement, amalgamation, merger, or demerger, etc. | In the event that an Option Grantee is transferred pursuant to Plan of arrangement, amalgamation, merger or demerger or continued in the existing Company, prior to the vesting or exercise, the treatment of options in such case shall be specified in such Plan of arrangement, amalgamation, merger or demerger provided that such treatment shall not be prejudicial to the interest of the Option Grantee. | |
| 12. | Any other event not specified above | As decided by the Committee and such decision shall be final and binding. | As decided by the Committee and such decision shall be final and binding. |

9.3. The Options shall be deemed to have been exercised when an Employee makes an application in writing to the Company or by any other means as decided by the Committee, for the issue of Shares against the Options vested in him, subject to payment of Exercise Price and compliance of other requisite conditions of exercise.

10. Lapse of Options

10.1. The Options not exercised within the respective Exercise Periods prescribed in Sub-clauses of Clause 9 shall lapse and be deemed to be cancelled on expiry of such Exercise Period. The employee shall have no rights or recourse over such lapsed/ cancelled Options.

10.2. Unvested Options: The Options not vested, shall be deemed cancelled and be returned to the pool of Shares as prescribed in Clause 4.1.

11. Lock-In

11.1. The Equity Shares so allotted to the Grantees pursuant to exercise of Options may be subject to such a lock-in period as may be specified by the Committee at the time of grant.

12. Shareholders Rights

12.1. An employee shall not be entitled to receive any dividends declared by the company in respect of the Shares issued pursuant to the options granted to him unless the employee has exercised the options and has become a registered shareholder of the company.

12.2. An employee shall not be entitled to vote in respect of the Shares issued pursuant to the options granted to him unless the employee has exercised the options and has become a registered shareholder of the company.

- 12.3.** If the Company issues bonus shares or rights shares, the employee shall be eligible to only the adjustment to the number of Options or the Exercise Price or both, as decided by the Committee.
- 12.4.** The maximum quantum of benefits that will be provided to every eligible Employee under the Scheme will be the difference between the market value of Company's Share on the Stock Exchanges as on the date of exercise of Options and the exercise price paid by the Employee.

13. Tax Liability

- 13.1.** The tax treatment on the equity Shares allotted under the Scheme shall be as per the Income Tax Act, 1961 as amended from time to time.
- 13.2.** In the event of any tax liability arising out on account of the issue of Options and/or allotment of the equity Shares to the employee, the liability shall be that of the employee alone. The Company shall not indemnify the employee against any tax or other liabilities.
- 13.3.** All tax liabilities arising on disposal of the equity Shares after Exercise would require to be handled by the employee.

14. Employee Responsibility

- 14.1.** The eligible employee may appoint any person(s) as nominee(s) for the purpose of exercising the rights on employee death or permanent incapacitation, subject to the terms and conditions of the Scheme. The eligible employee shall appoint such nominee(s) by submitting a letter in the form specified by the Committee in this regard. The eligible employee has the right to change/ or revoke such nomination.
- 14.2.** The eligible employee shall not assign, transfer, pledge or hypothecate his rights or obligations relating to the options, to any third party.
- 14.3.** The option shall be exercisable during the lifetime of the eligible employee only by such eligible employee or in case of death and or permanent incapacitation of an eligible employee, by the eligible employee's nominees or authorised legal representative or legal heirs, if nominee details are not available with the Company.
- 14.4.** The eligible employee shall ensure that there is no violation of:
 - a. Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - b. Other applicable restrictions for prevention of fraudulent and /or unfair trade practices relating to the securities market.
 - c. The eligible employee shall keep the Company, fully indemnified in respect of liability arising for violation of the above provisions.

An eligible employee must keep the details of the Scheme and all other documents in connection strictly confidential and must not disclose the details with any of his colleagues, peer, co-employees or with any employee and/ or associate of the Company or that of its affiliates. In case employee is found in breach of this confidentiality Clause, the Company has an undisputed right to terminate any agreement and all unexercised Options shall stand

cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality Clause shall be final, binding and cannot be questioned by eligible employee.

15. Accounting and Disclosure

- 15.1.** The Company shall comply with the requirements of IND – AS 102 and shall use Fair value method and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.
- 15.2.** Compensation cost will be booked in the books of account of the Company over the vesting period.
- 15.3.** The Company shall comply with the disclosure requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB and SE) Regulations or as may be prescribed by regulatory authorities from time to time.

16. Corporate Action

- 16.1.** Except as hereinafter provided, any grant made shall be subject to adjustment, by the Committee, at its discretion, as to the number and price of Options or Shares, as the case may be, in the event of 'corporate action' as defined herein.
- 16.2.** If there is a 'corporate action' of the Company before the Options granted under this Scheme are exercised, the Option Grantee shall be entitled on exercise of the Options, to such number of resultant Shares to which he/she would have been entitled as if all of the then outstanding Options exercised by him/her, had been exercised before such 'Change in the Capital Structure' had taken place and the rights under the Options shall stand correspondingly adjusted. In the event of a corporate action, the Committee, subject to the provisions of applicable laws, shall make fair and reasonable adjustments under the Scheme, as it deems fit, with respect to the number of Options, exercise price and make any other necessary amendments to the Scheme for this purpose. The vesting period and life of the Options shall be left unaltered as far as possible.
- 16.3.** In the event of severance of employment of an Option Grantee, as a part of reconstitution / amalgamation / sell-off or otherwise, the Options granted and not exercised before such reconstitution / amalgamation / sell-off, shall be exercised as per the terms and conditions determined in the relevant Scheme of such reconstitution / amalgamation / sell-off not prejudicial to the interest of the Option Grantee.
- 16.4.** In the event of a dissolution or liquidation of the Company, any vested Options outstanding under the Scheme shall be cancelled if not exercised prior to such event and no compensation shall be payable in respect of the Options so cancelled.

17. Governing Law

- 17.1.** This Scheme and all related documents there under shall be governed by and construed in accordance with the SEBI (SBEB & SE) Regulations and other applicable laws of India.
- 17.2.** Any term of the Scheme that is contrary to the requirement of the SEBI (SBEB & SE) Regulations or any other applicable laws shall not apply to the extent it is contrary.

17.3. The Courts at Ahmedabad shall have exclusive jurisdiction on any matter arising out of this Scheme.

18. Modification of Scheme

18.1. Subject to the applicable laws, the Committee may, at any time:

18.1.1. Revoke, add to, alter, amend or vary all or any of the terms and conditions of the Scheme or all or any of the rights and obligations of the Option Grantee;

18.1.2. Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the specific Grantee or class or category of Grantees. Each of such sets of special terms and conditions shall be restricted in its application to those specific Grantee or class or category of such Grantees.

18.2. Any amendment, variation or modification under the Scheme shall not be prejudicial to the interest of the Grantees of the Company

19. Miscellaneous

19.1. If the Company gets de-listed from all the recognized stock exchanges, then the Committee shall have the authority to set out terms and conditions for the treatment of vested options and unvested options in accordance with the Applicable Laws.

19.2. In the event of a dissolution or liquidation, the Committee shall inform each eligible employee, as soon as practicable / permissible under Applicable Laws, of any proposed dissolution or liquidation. The Committee shall also permit the eligible employee to exercise the vested options in the 30 days period prior to such dissolution or liquidation.

19.3. Nothing contained in the Scheme shall be construed to prevent the Company from implementing any other new Employee Stock Option Scheme, directly or through any Trust. No eligible employee or other person shall have any claim against the Company and / or Trust, because of such action.

19.4. In case Options are granted to any employee being resident outside India, the provisions of Foreign Exchange Management Act, 1999 and rules and regulations made thereunder and as amended from time to time shall be applicable, and the Company has to comply with such requirements as prescribed from time to time in connection with grant, Vest, Exercise of Options, and issue of shares thereof.

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

19.6. The participation in the Scheme shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the market price of the equity and the risks associated with the investment are that of the Option Grantee only.

- 19.7.** The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss directly or indirectly attributable to ESOS 2021, due to any reason whatsoever.
- 19.8.** Any disputes or differences of any nature arising on account of ESOS 2021 shall be referred to the Committee and its decision shall be final and binding in all respects.
- 19.9.** Any notice required to be given by, or any correspondence from an eligible employee to the Company / Committee, may be given in writing at the Company's Corporate office or such other office, as may be notified in writing OR by email from the notified email address.
- 19.10.** The Courts in Ahmedabad shall have the jurisdiction in respect of all matters, disputes or differences arising in relation to and out of ESOS 2021.