

Suven Pharmaceuticals Limited - Employee Stock Option Plan 2023

Suven Pharmaceuticals Limited

CIN: L24299TG2018PLC128171

Regd. Office: 8-2-334, SDE Serene Chambers, 3rd Floor, Road No. 5, Avenue - 7,
Banjara Hills, Hyderabad-500 034, Telangana, India

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1. Name, Objective and Term of the Plan

1.1 This employee stock option plan shall be called **Suven Pharmaceuticals Limited Employee Stock Option Plan 2023 (“ESOP 2023” or “Plan”)**. This Plan has been formulated by the Committee / Board of **Suven Pharmaceuticals Limited**, a company incorporated under the Companies Act, 2013 and having its registered office at 8-2-334, SDE Serene Chambers, 3rd Floor, Road No. 5, Avenue - 7, Banjara Hills, Hyderabad-500 034, Telangana, India and has received approval of its Shareholders by way of a special resolution passed by on 13th February 2024, by means of Postal Ballot in order to grant Options to Employees of the company.

The approval of shareholders by way of separate resolution passed on 13th February 2024 through the Postal Ballot in order to Grant Options to Employees of the Subsidiary Company(ies) and Associate Company(ies) of the Company.

1.2 The objectives of the Plan are to reward all eligible Employees for their association with the Company, their performance as well as to attract, retain and reward Employees to contribute to the growth, to align the interests with the Shareholders interest and profitability of the Company. The Company intends to use the Plan to attract and retain talents in the organization. The Company views Employee Stock Options as an instrument that would enable the Employees to get a share in the value, they create for the Company in the years to come.

Further, the Plan will be implemented, for and on behalf of and at the request of the Subsidiary Company(ies) and Associate Company(ies) of Suven Pharmaceuticals Limited, for their employees.

1.3 The Plan shall continue to be in force until (i) its termination by the Company as per provisions of Applicable Laws after all issued options that are outstanding are exercised or lapsed, or (ii) the date on which all of the Options available for issuance under the Plan have been issued and exercised, whichever is earlier.

2 Definitions and Interpretation

2.1 Definitions

In this Plan, except where the context otherwise requires, the following expressions or terms when capitalized shall have the meanings indicated there against:

2.1.1 “Abandonment” shall mean discontinuation of employment by the Participant without giving notice or without serving a notice as provided in the Company Policies/Terms of Employment.

2.1.2 “Applicable Laws” shall mean to the extent applicable, all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, circulars, guidelines, policies, treaties, codes, directions, notices, directives and orders of any Government, statutory authority, tribunal, board, or court of competent authority, or recognized stock exchange including, without limitation, the Act, Companies (Share Capital and

Debenture) Rules, 2014, the Income Tax Act, 1961, and all other relevant securities, exchange control or corporate laws of India and rules made thereunder including Securities and Exchange Board Of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021, including any regulations issued by the stock exchange on which the Shares (as defined hereinafter) of the Company are listed or quoted and includes, any amendment, modification, alteration or re-enactment made to such laws, rules, regulations or bye-laws, each as amended, modified, re-enacted from time to time.

- 2.1.3 “Associate Company” shall have the same meaning as defined under Section 2(6) of the Companies Act, 2013.
- 2.1.4 “Board” shall mean the board of directors of the Company.
- 2.1.5 “Cause” shall mean any act or omission by an Eligible Employee/Participant amounting to Misconduct, fraud, breach of any contract with the Company (including breach of a non-compete covenant), negligence, unethical practices or any other non-compliance or violation of any Applicable Laws in India and includes any misconduct under the Company’s policies and/or under labour laws or any act as determined by the Board/ Committee to be detrimental to the Company, its financial position and its interests, in any manner.
- 2.1.6 “Closing Date” shall mean the last date on which the offer of Options by the Company to an Option Grantee can be accepted. In case the last date is a non-working day, then it shall be the immediately following working day.
- 2.1.7 “Committee” means the Nomination and Remuneration Committee constituted by the Board from time to time, to administer and supervise the Plan, comprising of such members of the Board as per the Applicable Laws.
- 2.1.8 “Companies Act” means the Companies Act, 2013 read with rules issued thereunder from time to time and includes any statutory modifications or reenactments thereof.
- 2.1.9 “Company” means Suven Pharmaceuticals Limited, a company registered in India under the provisions of the Companies Act, 1956, having corporate identification number L24299TG2018PLC128171 with its registered office 8-2-334, SDE Serene Chambers, 3rd Floor, Road No. 5, Avenue - 7, Banjara Hills, Hyderabad-500 034, Telangana, India.
- 2.1.10 “Company Policies/Terms of Employment” means the Company’s policies for Employees and the terms of employment as contained in the employment letter and the company handbook,

which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other Employees and customers.

- 2.1.11 “Corporate Action” shall have meaning as understood under Applicable Law and also includes change in control of the Company.
- 2.1.12 “Death” for the purpose of this Plan shall mean death of an Employee during the continuance of employment or service.
- 2.1.13 “Director” means a member of the Board of the Company.
- 2.1.14 “Eligibility Criteria” means the criteria as specified in clause 5 below of this Plan and may be determined from time to time by the Committee for granting the Options to the Employees.
- 2.1.15 “Eligible Employee” for the purpose of this Plan shall mean an Employee and as identified in accordance with Clause 5 below of this Plan.
- 2.1.16 “Employee” means,
- 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, who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or
 - iii. an employee as defined in sub-clauses (i) or (ii), of a Group Company including Subsidiary Company or its Associate Company, in India or outside India.
but excludes,
 - a) an employee who is a Promoter or belongs to the Promoter Group;
 - b) a Director who either by himself or through his Relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company.
- 2.1.17 “ESOP 2023” or “Plan” means the ‘Suven Pharmaceuticals Limited Employee Stock Option Plan 2023’ under which the Company is authorized to grant Options to the Employees.
- 2.1.18 “Exercise” shall mean making of an application by the Participant/Beneficiary to the Company for issue of Shares, against the Vested Options in pursuance of this Plan and on payment of the Exercise Price.
- 2.1.19 “Exercise Date” shall mean the date on which the Participant/ Beneficiary exercises his Vested Options and in case of partial Exercise, shall mean each date on which the Participant/ Beneficiary exercises part of his Vested Options.
- 2.1.20 “Exercise Period” means shall mean the time period as may be determined by the Committee, after Vesting, within which the Participant/ Beneficiary should Exercise his right to apply for Shares against the Vested Option in pursuance of this Plan.
- 2.1.21 “Exercise Price” means the price payable by an Employee in order to Exercise the Options granted to him in pursuance of the Plan.

- 2.1.22 “Grant” means the process by which the Board/ Company issues Options under this Plan;
- 2.1.23 “Grant Date” shall mean the date on which the Committee approves the Grant.
Explanation - For accounting purposes, the grant date will be determined in accordance with applicable accounting standards;
- 2.1.24 “Group” or “Group Company” means two or more companies in which Company, directly or indirectly, are in position to-
- i. exercise twenty-six percent, or more of the voting rights in the companies; or
 - ii. appoint more than fifty percent, of the members of the board of directors in the companies; or
 - iii. control the management or affairs of the companies.
- Including Associate Companies.
- 2.1.25 “Holding Company” shall have the meaning as defined under the Companies Act, 2013.
- 2.1.26 “INR” or “Rupee” shall mean Indian Rupee, the currency of the Republic of India for the time being in force.
- 2.1.27 “Independent Director” means a Director within the meaning of Section 149(6) of the Companies Act read with Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2.1.28 “Letter of Acceptance” shall mean the letter required to be submitted by an Option Grantee, substantially in the form provided in pursuance of this Plan, to accept the Options granted pursuant to a Letter of Grant and to acknowledge acceptance of the terms and conditions and within the time limit specified in the Plan.
- 2.1.29 “Letter of Grant” shall mean the letter issued by the Company, substantially in the form provided for this Plan intimating an Eligible Employee of the Options granted to such Eligible Employee for acquiring a specified number of Shares at the Exercise Price and as per the Vesting Period described therein.
- 2.1.30 “Market Price” means the latest available closing price on a Recognized Stock Exchange on which the Shares of the Company are listed on the date immediately prior to the Relevant Date.
Explanation,—If such Shares are listed on more than one Recognized Stock Exchange, then the closing price on the Recognized Stock Exchange having higher trading volume shall be considered as the market price.
- 2.1.31 “Misconduct” means disregard of the Company’s bye-law, rules, regulations and the Company Policies/ Terms of Employment and includes mismanagement of position by action or inaction, alleged wrongdoing, misfeasance, or violation of any rule, regulation or law which was expected to be abided by the Employee.

- 2.1.32 "Option" or "Employee Stock Option" means an Option Granted to an Eligible Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the Shares underlying the Option at a pre-determined price.
- 2.1.33 "Option Grantee" shall mean an Eligible Employee who is the recipient of Letter of Grant on the Grant Date in furtherance of a Grant.
- 2.1.34 "Participant" shall mean the holder of an outstanding Option (Vested or Unvested Options) Including nominee/ legal heir of the Option Grantee granted in accordance with 5.1 below of this Plan.
- 2.1.35 "Permanent Incapacity" means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Participant from performing any specific job, work or task which the said Participant was capable of performing immediately before such disablement, as determined by the Committee in accordance with Company Policy based on a certificate of a medical expert identified by the Company.
- 2.1.36 "Plan" or "Stock Option Plan" or "ESOP 2023" shall mean this Suven Pharmaceuticals Limited Employee Stock Option Plan 2023 under which the Shareholders authorized the Board to offer to Eligible Employees, through grant of Options, the opportunity to purchase Company's shares after a given period of time and under certain conditions at a price fixed at the time the Options are granted and shall include any alterations, amendments, additions, deletions, modifications, or variations thereof from time to time.
- 2.1.37 "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.
- 2.1.38 "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.
- 2.1.39 "Relevant Date" means any of the following dates as the context requires:
- i. in the case of Grant, the date of the meeting of the Committee on which the Grant is made;
or
 - ii. in the case of Exercise, the date on which the notice of Exercise is given to the Company by the Participant.
- 2.1.40 "Relative" shall have the same meaning as defined under section 2(77) of the Companies Act, 2013.
- 2.1.41 "Retirement" means retirement or superannuation as per the rules of the Company.
- 2.1.42 "SEBI (SBEB & SE) Regulations" or "SEBI Regulation" means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as

amended and enacted from time to time read with all circulars and notifications issued thereunder.

- 2.1.43 “Secretarial Auditor” means a company secretary in practice appointed by a company under rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 to conduct secretarial audit pursuant to regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2.1.44 “Shares” means equity shares of the Company of face value of Rs. 1 (One) each fully paid-up;
- 2.1.45 “Stock Exchange” or “Recognized Stock Exchange” means the National Stock Exchange of India Limited, BSE Limited or any other recognized stock exchanges as per section 4 of Securities Contracts (Regulation) Act, 1956 in India on which the Company’s Shares are listed.
- 2.1.46 “Subsidiary Company” means any present or future subsidiary company of the Company determined as per provisions of the Companies Act.
- 2.1.47 “Tax” or “Taxes” shall mean any income tax, perquisite tax, fringe benefits tax or any other taxes, or any levy or any contribution or any sums due (by whatever name it is called) imposed on the Company or on an Eligible Employee or an Option Grantee or a Participant, with respect to the Grant, Vesting and/ or Exercise of the Options in pursuance of this Plan.
- 2.1.48 “Termination Date” shall mean the last date of termination of employment of the Participant/ Option Grantee with the Company on the day notice is served by the Participant or to the Participant by the Company.
- 2.1.49 “Unvested Option” shall mean an Option in respect of which the relevant Vesting conditions have not been satisfied and which the Participant is not currently eligible to Exercise.
- 2.1.50 “Vested Option” shall mean an Option in respect of which the relevant Vesting Conditions have been satisfied and the Participant has become eligible to Exercise the Option.
- 2.1.51 “Vesting” shall mean the process by which the Participant/Beneficiary is entitled to apply for Shares against the Vested Options in accordance with Clause 7 below of this Plan.
- 2.1.52 “Vesting Condition” means any conditions including but not limited to the performance (company, individual, department, etc.) and/or continued employment as determined by the Board/ Committee at its sole discretion subject to which the Options granted would vest in the Participant.
- 2.1.53 “Vesting Date” shall mean the respective dates on and from which the Option Vests with the Participant/ Beneficiary and thereby becomes exercisable in pursuance of the Plan.
- 2.1.54 “Vesting Period” means the period during which the Vesting of the Option granted in pursuance of the Plan takes place.

All other expressions unless defined herein shall have the same meaning as have been assigned to them under the Act, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations,

2021 (read with applicable circulars, notifications etc.), as amended from time to time, the Securities Contracts (Regulation) Act, 1956, or the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any statutory modification or re-enactment thereof, as the case may be.

2.2 Interpretation

2.2.1 In this Plan, unless the contrary intention appears:

- a) the clause headings are for ease of reference only and shall not be relevant to interpretation;
- b) a reference to a clause number is a reference to its sub-clauses;
- c) words in singular number include the plural and vice versa;
- d) words importing a gender include any other gender; and
- e) the terms “hereof,” “herein,” “hereby” and derivative or similar words refer to this entire ESOP 2023 and not to any particular Clause, sub-Clause or section of this ESOP 2023;
- f) whenever this ESOP 2023 refers to a number of days, such number shall refer to calendar days unless otherwise specified;
- g) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.
- h) for the purposes of any calculation under this Plan any fraction will be rounded down to the nearest integer;

2.2.2 the terms defined above, including their grammatical variations and cognate expressions, shall, unless repugnant to the context or meaning thereof, for the purposes of this Plan have the meanings herein specified and terms not defined above shall have the meanings as defined in the Companies Act or Applicable Laws including SEBI SBEB & SE Regulations, as the context requires; and

2.2.3 Words and expressions used and not defined here but defined in the SEBI (SBEB & SE) Regulations, 2021 Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Companies Act, and any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislation, as the context requires.

2.2.4 any reference to any statute or statutory provision shall include:

- i. all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated); and
- ii. such statute or provision as may be amended, modified, re-enacted or consolidated;

2.2.5 headings and captions are used for convenience only and shall not affect the interpretation of this ESOP 2023;

- 2.2.6 references to Recitals, Clauses, sub-Clauses and Appendices shall be deemed to be a reference to the recitals, clauses, sub-clauses and schedules/ appendices of this ESOP 2023;
- 2.2.7 reference to a Clause number shall also include reference to all its sub-Clauses; and
- 2.3 In the event of any inconsistency between the provisions of this ESOP 2023 and the provisions of the employment offer letter or employment agreement of the Eligible Employee, the provisions of this ESOP 2023 shall prevail.
- 2.4 In the event of any inconsistency between the provisions of this ESOP 2023 and the Articles of Association, then the provisions of the Articles of Association shall prevail and be deemed to have been incorporated herein by reference.

3 Authority and Ceiling (ESOP 2023 pool)

- 3.1 Subject to Clause 17 of this Plan, the maximum number of Shares that may be issued pursuant to Exercise of Options granted to the Participants under this Plan shall not exceed 1,25,00,000 Shares, implying up to 4.681% of the fully diluted equity share capital assuming all such Options are exercised as on the date of special resolution stated in Clause 1 above. The Company through Committee may, at their discretion, Grant such Options within the overall limit determined in accordance with the Plan. The shareholders of the Company by way of special resolution dated 13th February 2024 approved this Plan authorizing the Board and/or Committee to grant 1,25,00,000 Shares to the Eligible Employees in multiple tranches, from time to time in accordance with the terms and conditions as may be decided under the Plan. The Company reserves the right to increase or reduce such number of Shares as it deems fit subject to approval of shareholders in accordance with applicable law. Notwithstanding the foregoing, Shares with respect to which an Option is granted under this Plan that remain unaccepted, or unexercised at the time of expiration, or are not entitled for vesting or forfeited or lapsed or cancelled shall be added back to the number of Options that are pending to be granted.
- 3.2 Prior approval of shareholders of the Company in the general meeting by passing special resolution shall be obtained in case the Grant of Options to any Eligible Employee, in any one financial year, is equal to or exceeding 1% (one percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option. However, the maximum number of Shares under the Plan that may be granted to each Employee in any year and in aggregate shall not exceed 1.5% of the issued capital (excluding outstanding warrants and conversions) at the time of Grant of Option.
- 3.3 In case of a Share split or consolidation, if the revised face value of the Share is less or more than the current face value as prevailing on the date of coming into force of this Plan, the maximum number of Shares available for being granted under Plan as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (No. of Shares X Face value per Share) prior to such Share split or consolidation remains unchanged after such Share split or consolidation. Thus, for example, if the prevailing face value of each Share is

Rs.10 per Share and the revised face value after the Share split is Rs. 5 per Share, the total number of Shares available under the Plan would be (Shares reserved at Sub-Clause 3.1*2) Shares of Rs. 5 each. Similarly, in case of bonus issue, etc. the available number of Shares under Plan shall be revised to restore the value.

4 Administration

- 4.1 This Plan shall be administered by the Committee working under the powers delegated by the Board, which may delegate its duties and powers in whole or in part as it may determine. Pursuant to Board resolution held on December 21, 2023, the Committee is authorized to interpret this Plan, to establish, amend and rescind any rules and regulations relating to this Plan, and to make any other determinations that it deems necessary or desirable for the administration and implementation of this Plan. The Committee may correct any defect, omission or reconcile any inconsistency in this Plan in the manner and to the extent the Committee deems necessary or desirable and to resolve any difficulty in relation to implementation of this Plan and take any action which the Board is entitled to take in relation thereto. No member of the Committee may act upon matters under this Plan specifically relating to such member of the Committee.
- 4.2 The acts of majority of the members of the Committee present at any meeting (at which the quorum is present) or acts approved in writing by a majority of the entire Committee shall be the acts of the Committee for the purpose of the Plan. Any decision of the Board/ Committee in the interpretation and administration of this Plan, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Employee, Option Grantee, Participant/ Nominee and their Beneficiaries and successors). The Company (including the Committee) shall not be liable for any action or determination made in good faith with respect to this Plan or any Option granted thereunder.
- 4.3 The Committee shall, subject to compliance with Applicable Laws and the limitations set out in the Plan, inter alia, do the following:
- (a) Adopt rules and regulations for implementing the Plan from time to time;
 - (b) the Eligibility Criteria for Grant of Option to the Employees;
 - (c) Identify the Employees eligible to participate under the Plan;
 - (d) Grant Options to the identified Eligible Employees and determine the Grant Date;
 - (e) Determine the quantum of the Options, shares or benefits as the case may be, to be granted under the Plan per Employee and in aggregate under this plan subject to the ceiling as specified in the Sub-clause 3.2 above;
 - (f) Determine the number of additional Options to be granted to the Employees from time to time;
 - (g) Determine the Vesting Condition and Vesting Period for each Grant;
 - (h) Notify the Participants if the Options become eligible for Exercise;
 - (i) Determine the right of a Participant to Exercise all the Vested Options at one time or various points in time when the Options have become capable of being Exercised;
 - (j) Determine the grant, vesting and exercise of shares or Options in case of employees who are on long leave;

- (k) the procedure and terms for the Grant, Vesting and Exercise of Option in case of Employees who are on long leave;
- (l) Determine and notify the Exercise Period within which the employee can exercise the Options and when the Options would lapse on failure to exercise the same within the Exercise Period;
- (m) the specific Exercise Period within which the Employee should Exercise the Option at one time or in multiple tranches and that Option would lapse on failure to Exercise the Option within the Exercise Period;
- (n) Determine the specified time period within which Employees shall exercise the vested Options in the event of termination or resignation;
- (o) Determine the conditions under which Options (vested as well as Unvested), shares or other benefits as the case may be, may vest in employees and/or may lapse in case of termination of employment for misconduct in accordance with Applicable Laws;
- (p) Where any corporate actions may warrant adjustment to the number of Options and/ or the Exercise Price, refer such matters to the Board;
- (q) the procedure for making a fair and reasonable adjustment to the number of Option and to the Exercise Price in case of Corporate Actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the Committee:
 - (i) the number and the 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.
- (r) the procedure for buy-back of Options granted under the Plan if to be undertaken at any time by the Company, and the applicable terms and conditions, including:
 - (i) permissible sources of financing for buy-back;
 - (ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
 - (iii) limits upon quantum of Options that the Company may buy-back in a financial year.
- (s) the procedure for funding for Exercise of Options, as permitted under the Applicable Laws; and
- (t) approve forms, writings and/or agreements for use in pursuance of the Plan.
- (u) Refer to the Board any decision to amend the Grant, Vesting and/ or Exercise of Options for Employees who are on long leave;
- (v) Refer to the Board for any decision to alter/ modify the vesting schedule and/ or Exercise Price for subsequent Grants;
- (w) Refer to the Board for any decision to alter/ amend the Plan subject to Clause 15 of the Plan;
- (x) Determine the procedure for funding the exercise of Options;
- (y) Take any other actions and make any other determinations or decisions that it deems necessary or appropriate in connection with the Plan or the administration or interpretation thereof;
- (z) Decide all other matters that must be determined in connection with a Grant under the Plan;
- (aa) Construe and interpret the terms of the Plan, and the Options granted pursuant to the Plan;
- (bb) Refer to the Board any issue arising as a result of any inconsistency in the Plan, unless such inconsistency is of an administrative nature only; and
- (cc) Perform such other functions and duties as shall be required under the Applicable Laws.

4.4 The Committee shall also frame suitable policies and systems to ensure that there is no violation of (a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) (b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 (as amended from time to time) and (c) any other regulation as may be notified by the Securities and Exchange Board of India or any other authority from time to time, by the Company and any Employee.

4.5 The Board/ Committee shall, *inter alia*, formulate the detailed terms and conditions of the Plan which shall include the provisions to the extent it is not in violation of the Companies Act, 2013.

5 Eligibility and Applicability

5.1 The eligibility to participate in this Plan is subject to such criteria as may be decided by the Board/ Committee at its own discretion, including, but not limited to the date of joining of the Employee with the Company, grade of the Employee, performance evaluation, period of service with the Company, criticality or any other criteria, as the Committee determines.

5.2 Based on the eligibility criteria as described in Clause 5.1 above of this Plan, the Board/ Committee at its sole discretion will decide the Employees eligible for Grant of Options under this Plan and accordingly, the Company acting through the Committee would Grant the Options to the identified Employees under the Plan.

5.3 The Plan shall be applicable to the Company and any successor company thereof and Options may be granted to the Eligible Employees of the Company, as determined by the Committee at its sole discretion.

5.4 The Board/Committee may subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate this Plan. Unless otherwise determined by the Board and/or the Committee, termination of this Plan shall not affect the Grant, Vesting or Exercise (*all terms defined*) of the Options already issued under this Plan.

6 Grant and Acceptance of Grant

6.1 Grant of Options

6.1.1 The Company/Committee/Board may offer the Options to an Option Grantee in accordance with the terms and conditions under this Plan for the time being in force. The Committee will decide the number of Options to be granted to each Eligible Employee.

6.1.2 Subject to the conditions stipulated herein, each Option issued to an Eligible Employee would be eligible for allotment into one Share by payment of the Exercise Price.

- 6.1.3 The Options shall be granted to Eligible Employees as decided by the Committee from time to time. Such Options shall be subject to all applicable terms and conditions stipulated herein.
- 6.1.4 Subject to the overall limit prescribed in this Plan, the Options may be granted in one or more tranches.
- 6.1.5 The Grant of the Options by the Company /Board / Committee to the Option Grantee shall be made in writing or through any other electronic medium identified by the Company and communicated to the Option Grantee by a Letter of Grant. The Letter of Grant shall specify the Grant date, number of Options, the Vesting Period, schedule of Vesting, conditions for Vesting, the Exercise Price, Exercise Period, and other disclosures as specified in Part G of Schedule I of SEBI (SBEB & SE) Regulations and any other terms and conditions that the Board and/ or Committee may deem necessary.
- 6.1.6 The Grant of Options under the Plan does not guarantee any entitlement to any future grant of Options under the Plan.
- 6.1.7 The Grant of Options is of an occasional and extra-ordinary nature and constitutes a gratuitous and discretionary act by the Company. Consequently, no benefit derived from the Options granted under the Plan, forms or shall form a part of any Participant's normal, habitual or expected remuneration.
- 6.2 Acceptance of the Grant
- 6.2.1 Only the Option Grantee will be required to submit a signed copy of or electronically sign the Letter of Acceptance to acknowledge acceptance of the terms and conditions of this Plan and the terms of the Plan within 45 days from the date of receipt of the Letter of Grant, or such extended time as the Board and/ or Committee may determine in its sole discretion.
- 6.2.2 Upon receipt of a duly completed Letter of Acceptance from the Option Grantee in respect of the Grant, the Option Grantee will become a Participant. The Committee may then issue to the Participant a statement, in such form as it deems appropriate, showing the number of Options to which, the Participant is entitled pursuant to the acceptance of such Grant and the number of Shares for which the Participant will be entitled to subscribe pursuant to such Grant.
- 6.2.3 Subject to the terms contained herein, acceptance of a Grant made to an Option Grantee, shall conclude a contract between the Option Grantee and the Company.

7 Vesting Schedule and Vesting Conditions

- 7.1 Subject to Clause 7.6, Clause 11 and Clause 7.7, the Unvested Options shall vest with the Participant on fulfillment of the Vesting Conditions during the Vesting Period by the Participants provided in the Letter of Grant.
- 7.2 Subject to Applicable Laws, Clause 7.6, Clause 11.1 and Clause 11.2, the Vesting Period shall be determined by the Board/Committee at its sole discretion. Subject to Clause 11.1 and Clause 11.2 such vesting period shall not be less than 1 (one) year from the Grant Date. Further, subject

to Clause 7.7 such vesting period shall not be more than 10 years from the Grant Date. Such Vesting Period shall be as prescribed in the Letter of Grant.

Provided that in case where Options are granted by the Company under the Plan in lieu of Options held by a person under a similar Plan in another company (“Transferor Company”) which has merged, demerged, arranged, or amalgamated with the Company, the period during which the Options granted by the Transferor Company were held by him shall be adjusted against the minimum Vesting Period as per the Plan.

Provided further that in the event of Death or Permanent Incapacity, the minimum vesting period of One (1) year shall not be applicable and in such instances, the Options shall vest on the date of Death or Permanent Incapacity.

- 7.3 As a prerequisite for a valid Vesting, Unvested Options under this Plan, would vest subject to compliance with terms and conditions set forth under the Plan and continued employment or directorship (as the case may be) with the Company or Group Company or Subsidiary Company or Associate Company, as the case may be, as 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 against any Participant, the relevant Vesting shall be kept in abeyance until disposal of the proceedings and such Vesting shall be determined accordingly.
- 7.4 Subject to Applicable Laws, the Board and/ or Committee may prescribe varying Vesting schedules and Vesting Conditions for different Participants, and/ or for different Options under the Plan under which such Options are granted.
- 7.5 Notwithstanding anything stipulated as part of the Plan, Options which are not vested shall automatically lapse after the Vesting Date and the contract referred to in Clause 6.2.3 above shall automatically be terminated without any obligations whatsoever on the Company (including the Board or Committee) and no rights in that regard will accrue to the Participant after such date. Such Unvested Options shall revert to the ESOP 2023 pool and may be granted at the discretion of the Board or Committee to any other Eligible Employee.
- 7.6 Subject to Applicable Laws, and unless the Committee decides otherwise, no Options shall vest in a Participant, if such Participant carries on or engages in, directly or indirectly, whether through partnership or as a shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise, any business which competes directly or indirectly with the whole or any part of the business carried on by the Company or any activity related to the business carried on by the Company. Decision of the Board and/ or Committee in this regard shall be final and conclusive and cannot be called in question by the Participant. For the sake of clarity, the restriction contained in this Clause shall not apply to any investment held as a portfolio by the Participant or any activity/ business

carried out by the Participant pursuant to his duties as an Employee and shall not apply to the Nominee of the Participant.

7.7 Vesting of Options in case of Employees on long leave

7.7.1 The period of leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical or on a long leave (long leave will be as per the Company Policy). In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Committee.

7.7.2 For the purposes of this Plan, the employment of the Participant shall not be deemed to terminate if the Participant takes any sick leave or any other bona fide leave of absence, appropriately approved, for 90 (ninety) days or less. In the event of the leave of absence in excess of 90 (ninety) days, such leave of absence will not be treated as continuous employment / service by an Option Grantee for the purpose of the Plan. In such an event, the Options will Vest as per the discretion of the Board/ Committee.

7.8 The rights granted to Participant upon the grant of an Option shall not afford the Participant's any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with any present or past member of the group or associated company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

7.9 Acceleration of unvested Options in certain cases:

The Committee may, subject to compliance with statutory minimum Vesting Period of One year as per Applicable Laws, accelerate Vesting of unvested Options.

8 Exercise

8.1 Exercise Price

8.1.1 The Exercise Price per Option shall be decided by the Board/Committee at its sole discretion as on the date of Grant.

Provided that in any circumstances, the Exercise Price shall not be less than INR 495 (Rupees Four Ninety-Five only) per Share as on date of Grant of such Option and shall not be more than Market Price. The specific Exercise Price shall be intimated to the Participant in the grant letter at the time of Grant.

8.1.2 The Exercise Price of the Options shall be determined under this Plan and shall be as specified in the Letter of Grant.

8.1.3 Subject clause 8.3 below, no Exercise Price to be paid at the time of Grant or vesting of Option by the Eligible Employee. However, the Exercise Price, in case, payable at the time of Grant of Option or vesting or exercise may be forfeited by the Company if the Option is not exercised

by the Employee within the Exercise Period or may be refunded to the Employee if any conditions are not fulfilled in case of an Unvested Option as per the Plan.

8.2 Exercise Period

The Exercise Period in respect of the Vested Option shall be subject to a maximum period of 3 (Three) years from the date of Vesting of Options.

8.3 Exercise of Options/ Allotment of Shares

8.3.1 Subject to terms of this Plan and subject to Applicable Laws, a Participant/ Beneficiary can Exercise Vested Options only within the exercise period only by applying to the Company during the Exercise Period, by way of an Exercise Application and upon payment of the Exercise Price.

8.3.2 Subject to the Exercise Period and clause 11.1, the Vested Options may be Exercised during the lifetime of the Participant, only by the Participant and after his demise, by his nominee, as may be applicable.

8.3.3 The Committee can decide the procedure for the exercise of Options and Allotment of Shares.

8.3.4 No Vested Option shall be exercisable in its fractional form and each Option entitles the Participant thereof to apply for and be allotted 1 (one) Share each on the payment of the Exercise Price during the Exercise Period, subject to the terms and conditions specified in the Letter of Grant.

8.3.5 Exercise of the Vested Options shall take place at the time and place designated by the Committee/Board /Company and by executing such documents as may be required under the Applicable Laws or by the Board and/ or Committee to pass a valid title of the relevant Shares to the Participant/ Nominee, free and clear of any liens, encumbrances and transfer restrictions save for those set out therein.

8.3.6 A Vested Option shall be deemed to be validly exercised only when the Company/Board and/ or Committee or any other person authorized by the Board and/ or Committee/Company in this regard, receives written and physical or electronically signed notice of Exercise Application from the Participant/ Beneficiary and, subject to Clause 8.1 of this Plan, the full payment of the Exercise Price, taxes (wherever arising) and any other sums due referred to in Clause 14 to the Company as per this Plan in respect of Exercise of the Option ('Aggregate Exercise Price').

8.3.7 The Aggregate Exercise Price shall be paid in full upon the Exercise of the Vested Options. Payment must be made by Cheque or demand draft issued in the name of the Company; or remittance directly from the Participant's bank to the bank account of the Company (wire

- transfer) as the Committee may specify; or any other method acceptable to the Committee/Board at its sole discretion.
- 8.3.8 At the time of allotment of Shares pursuant to a valid Exercise, the Participant/ Nominee will be required to sign such papers as may be considered necessary by the Committee to lawfully execute/ enforce various provisions of this Plan.
- 8.3.9 The Company/Committee/Board shall endeavor to ensure that the process of allotment of Shares to the Participant who has validly exercised his Vested Options is completed within a reasonable period of time from the time of receiving the Exercise Application by the Board and/ or Committee.
- 8.3.10 Notwithstanding anything else contained in the Plan and, if the Participant/ Nominee does not Exercise his Vested Options within the time period as specified by terms of this Plan, the Options shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 6.2.3 above of this Plan shall stand automatically terminated and the Vested Options will automatically lapse without any obligations whatsoever on the Company (including the Board and/ or Committee) and no rights in that regard will accrue to the Participant after such date.
- 8.3.11 Subject to the Companies (Share Capital and Debentures) Rules, 2014 and SEBI (SBEB & SE) Regulations, and unless the Committee decides otherwise, no Participant shall be entitled to make an Exercise, if such Participant carries on or engages in, directly or indirectly, whether through partnership or as a shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise, any business which competes directly or indirectly with the whole or any part of the business carried on by the Company or any activity related to the business carried on by the Company. Decision of the Board and/ or Committee in this regard shall be final and conclusive and cannot be called in question by the Participant. For the sake of clarity, the restriction contained in this Clause shall not apply to any investment held as a portfolio by the Participant or any activity/ business carried out by the Participant pursuant to his duties as an Employee and shall not apply to the Nominee of the Participant.
- 8.3.12 If the Exercise of Options within the Exercise Period, is prevented by any law or regulation in force, the Board or Committee shall defer or not permit the Exercise of Options till such time as it is prohibited by the applicable laws or regulations and in such an event the Company shall

not be liable to pay any compensation or similar payment to the Participant for any loss suffered due to such refusal.

- 8.3.13 Upon Exercise, the number of Shares proportionate to the number of Vested Options Exercised, will be allotted in the name of the Participant/Beneficiary.
- 8.3.14 Only upon allotment of the Shares, the Participants/ Nominees shall become Shareholders. Subject to Clause 9 of this Plan, the Shares to be allotted/ transferred shall rank pari passu in all respects with the outstanding Shares.
- 8.3.15 All stamp duty or other Taxes imposed by Applicable Laws payable on allotment of Shares shall be borne by the Participant/Company/Beneficiary, as specified in the Applicable Laws.
- 8.3.16 All such unexercised Options that so lapse, shall revert to the ESOP 2023 pool and may be granted at the discretion of the Board and/ or Committee to any other Eligible Employee.
- 8.3.17 Neither the Participant nor any person entitled to exercise the Participant's rights in the event of death of the Participant, shall have any right or status of any kind as a Shareholder, including the right to receive any dividend or to vote or in any manner or enjoy benefits available to a shareholder in respect of any Options covered by the Grant unless the Participant/ Beneficiary exercises the Vested Options and becomes a registered holder of the Shares. Upon becoming a registered holder of the Shares by the Exercise, the Participant/Beneficiary shall be entitled to all rights and obligations as a Shareholder from the date of issue and allotment of Shares pursuant to the Exercise under this ESOP 2023 and in accordance with the Articles of Association.
- 8.3.18 Subject to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Code Of Conduct For Prevention Of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information adopted by the Company, as applicable, the Board and/ or Committee shall also have the right to impose a 'quiet period' at its discretion, during which period, any Participant/Beneficiary who has been issued Shares (on the Exercise of Vested Options) shall not be permitted to transfer, sell or dispose-off his/ her Shares acquired under this ESOP 2023 in any manner whatsoever, other than as may be determined by the Board and/ or Committee.

9 Lock-in

The shares acquired pursuant to the Exercise of Vested Options shall not be subject to any lock-in period from the date of allotment of such shares under the Plan.

10 Exit route in case of de-listing

If the Company gets de-listed from all the recognized Stock Exchanges, then the Committee shall have the powers to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance of the Applicable Laws.

11 Termination or cessation

11.1 On death of a Participant

In case of cessation of employment in the event of death of a Participant while in employment or while serving as a Director, all Unvested Options granted to the Participant shall immediately vest, with effect from his/ her death in the legal heirs or nominees of the deceased Participant, as the case may be, as indicated in the Nomination Form.

All the Vested Options, including the Options vested in accordance with the preceding para, may be exercised by the Participant's nominee or legal heirs, no later than 12 (Twelve) months from the date of death or the expiry of the Exercise Period, whichever is earlier. The Board/Committee may, at their discretion, extend the said period.

Any Vested Options not exercised within such time by the Participant's nominee or legal heirs within the period specified herein shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 6.2.3 above of this Plan shall stand automatically terminated without any obligations whatsoever on the Company (including the Board or the Committee) and no rights in that regard will accrue to the Participant after such date.

All such unexercised Vested Options that so lapse shall revert to the ESOP 2023 pool and may be granted at the discretion of the Board or the Committee to any other Eligible Employee.

11.2 On Permanent disability/ incapacity of Participant

In case of Permanent Disablement of a Participant, while in employment or while serving as a Director, resulting in the cessation of employment or directorship (as the case maybe) of such Participant, all Unvested Options shall vest in such Participant immediately on the day of suffering the Permanent Disablement.

All the Vested Options, including the Options vested in accordance with the preceding para, may be exercised by the Participant, no later than 12 (Twelve) months from the date of Permanent disablement or the expiry of the Exercise Period, whichever is earlier. The Board/Committee may, at their discretion, extend the said period.

Any Vested Options not exercised within such time by the Participant or by the Participant's nominee within the period specified herein shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 6.2.3 above of this Plan shall stand automatically terminated without any obligations whatsoever on the Company (including the Board or the Committee) and no rights in that regard will accrue to the Participant after such date.

All such unexercised Vested Options that so lapse shall revert to the ESOP 2023 pool and may be granted at the discretion of the Board or the Committee to any other Eligible Employee.

11.3 Termination with Cause

If the Participant's employment with the Company is terminated by the Company for Cause, then all Unvested Options and all Vested Options that have not been exercised, shall lapse

immediately on the date of such Cause, and the contract referred to in Clause 6.2.3 above of this Plan shall stand automatically terminated without any obligations whatsoever on the Company (including the Board or the Committee) and no rights in that regard will accrue to the Participant after such date. The date of such Cause shall be determined by the Board, and its decision on this issue shall be binding and final.

All such Options (Vested Options or Unvested Options) that so lapse shall revert to the ESOP 2023 pool and may be granted at the sole discretion of the Board and/ or the Committee to any Eligible Employee.

11.4 On Abandonment

In the event a Participant abandons employment or his office (i.e. absents himself) for a continuous period of 30 (thirty) days or as specified by the relevant internal policy of the Company or as specified by the Board and/ or the Committee, all Options granted to the Participant, including but not limited the Vested Options, which were not exercised at the time of abandonment of employment, shall stand terminated with immediate effect and the contract referred to in Clause 6.2.3 above of this Plan shall stand automatically terminated without any obligations whatsoever on the Company (including the Board or the Committee) and no rights in that regard will accrue to the Participant after such date. The Board and/ or the Committee, at its sole discretion shall decide the date of abandonment by the Participant and such decision shall be binding on all concerned parties.

11.5 On Resignation or Other modes of termination

Termination of Employment other than in the retirement under a voluntary retirement scheme of the Company, if any, or retirement on attaining the superannuation age or onwards, which have been dealt with separately under Clause 11.6 below, if (a) the Participant voluntarily resigns from his employment or directorship (other than an employee director), as the case may be or (b) the Company and the Participant mutually separate from an employment relationship or (c) the employment of the Participant with the Company is terminated for any reason other than specified in this sub-clause above or specified in Clauses 11.1 to 11.4 and Clause 11.6 of this Plan, then:

All Unvested Options held by such Participant, as on the date of serving notice of resignation/termination by relevant party, shall immediately and automatically lapse on the date of servicing of notice of resignation/ terminations from/ of employment/ directorship and the contract referred to in Clause 6.2.3 above of this Plan shall stand automatically terminated without any obligations whatsoever on the Company, the Board or the Committee and no rights in that regard will accrue to the Participant after such date; All Unvested Options that lapse shall

revert to the ESOP 2023 pool and may be granted at the discretion of the Board or the Committee to any other Eligible Employee;

All Vested Options which have not been Exercised by such Participants on the Termination date can be exercised immediately after resignation or termination but in no event, later than the last working day with the Company or the expiry of the Exercise Period, whichever is earlier. Any Vested Options not exercised within such time by the Participant within the period specified herein shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 6.2.3 above of this Plan shall stand automatically terminated without any obligations whatsoever on the Company (including the Board or the Committee) and no rights in that regard will accrue to the Participant after such date; and all such Vested Options that lapse shall revert to the ESOP 2023 pool and may be granted at the discretion of the Board or the Committee to any Eligible Employee.

11.6 On retirement or superannuation

If the Participant retires under a voluntary retirement Scheme of the Company, if any, or retires on attaining the superannuation age or onwards, Unvested Options, on the date of Retirement, shall continue to vest beyond retirement in accordance with the original vesting schedule, however, only a proportion of the granted options would vest, the proportion being the same as the number of days computed from the date of Grant up to the date of Retirement bears to the number of days from the date of Grant to date of actual Vesting. Any Unvested option shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 6.2.3 above of this Plan shall stand automatically terminated without any obligations whatsoever on the Company (including the Board or the Committee) and no rights in that regard will accrue to the Participant after such date.

Further, all the Vested Options which have not been Exercised by such Participants can be exercised no later than 12 (Twelve) months from the date of retirement or the expiry of the Exercise Period, whichever is earlier. The Board/Committee may, at their discretion, extend the said period. Any Vested Options not exercised within such time by the Participant within the period specified herein shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 6.2.3 above of this Plan shall stand automatically terminated without any obligations whatsoever on the Company (including the Board or the Committee) and no rights in that regard will accrue to the Participant after such date.

All such Unvested Options or unexercised Vested Options that so lapse shall revert to the ESOP 2023 pool and may be granted at the discretion of the Board or the Committee to any other Eligible Employee.

12 Non-transferability of Options

Except as provided herein under this ESOP 2023, the Options held by a Participant are not transferable to any Person except the Participant's legal heir(s) or nominee(s) as the case may

be, and as specified in the Nomination Form in the event of death of the Participant. Legal heir or nominee will have to complete all legal formalities mentioned in Applicable Laws and produce requisite documents to prove his/ her/ their right within reasonable period. The Options cannot be pledged, hypothecated, charged, mortgaged, assigned, alienated or disposed of in any other manner.

13 Rights as a shareholder

- 13.1 The Employee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a shareholder in respect of Options granted, till Shares underlying such Options are issued by the Company up on Exercise of such Option.
- 13.2 Nothing herein is intended to or shall give the Participant any right or status of any kind as a shareholder of the Company (for example, bonus shares, rights shares, dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Participant exercises the Option and becomes a registered holder of the Shares of the Company.
- 13.3 If the Company issues bonus shares or rights shares, the Participant shall not be eligible for the bonus or rights shares in the capacity of a Participant. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with sub-clause 4.2 (f) of the Plan.

14 Withholding Tax or any other Sums

- 14.1 The liability of paying any taxes (whether in or outside India), if any, under this Plan arising on account of Grant of Options or Vesting of Options or on allotment of the Shares issued pursuant to Exercise thereof shall be entirely on Participant.
- 14.2 All Shares issued to the Participant on exercise of Options granted under this Plan, dividend or any other amounts payable by the Company to the Participant pursuant to this Plan shall be subject to all applicable taxes, withholding tax and/ or any levy and/ or any contribution and/ or any sums due (by whatever name it is called) arising (in or outside India) due to participation in this Plan and the Company or Committee, accordingly, may withhold/recover such taxes and/ or levy and/ or contribution and/ or payment in full unless Committee decides to withhold in part. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.
- 14.3 Notwithstanding anything contained in the Clauses of this Plan, if the Grant of the Option and/ or the Vesting of Option and/ or the Exercise of the Options and/ or allotment or transfer of the Shares under the Plan and or at any time while this Plan is in operation shall be subject to any levy and/ or taxes or contribution or payment (by whatever name called), if any, that is levied on or payable by the Company (in or outside India), then such taxes and/ or levy and/ or

contribution and/ or payment shall be recovered in full, unless the Committee at its sole discretion decides to recover in part from the Participant.

- 14.4 Notwithstanding anything else contained in this Plan herein, no Shares/ sale proceeds therefrom, as the case may be, shall be issued/ allotted/ transferred/ disbursed to the Participant/ Nominee, on Exercise of the Options under this Plan, unless appropriate levies/ taxes/ contributions/ payments (in or Outside India) as given in this Clause are recovered in full, unless the Committee at its sole discretion decides to recover only a part of the same from the Participant or Beneficiary.

15 Modification of Plan

The Board and/ or Committee may, subject to a special resolution passed at a General meeting, at any time and from time to time and Applicable Laws:

- 15.1 Revoke, add, to add addendum to the Plan, alter, amend or vary all or any of the terms and conditions of this Plan, or all or any of the rights and obligations of the Option Grantee/ Participant/ Beneficiary;
- 15.2 Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Option Grantee / Participant/ Beneficiary. Each of such sets of special terms and conditions shall be restricted in its application to those Option Grantee / Participant/ Beneficiary;
- 15.3 Formulate separate sets of special terms and conditions in addition to those set out herein, to apply to each class or category of Option Grantee / Participant/ Beneficiary separately and each of such sets of special terms and conditions shall be restricted in its applications to such Option Grantee / Participant/ Beneficiary; and
- 15.4 Alter the Exercise Price, if the Option becomes unattractive due to fall in market price of the Shares.

Provided that no variation, alteration, addition or amendment to this Plan can be made if it is detrimental to the interests of the Option Grantee / Participant/ Beneficiary and the approval of the shareholders in General Meeting has been obtained unless the terms are varied to meet any regulatory requirements.

- 15.5 Subject to this Plan, the Company may by special resolution in a General Meeting vary the terms of the plans offered pursuant to an earlier resolution of the general body but not yet exercised by the Employee provided such variation is not prejudicial to the interests of the Employees. Except otherwise provided under the applicable laws, if such variation to the terms of the plan is prejudicial to the interest of the employee, the same shall be only with the consent with the employees. The notice for passing such special resolution for variation of terms shall

disclose the full variation, the rationale thereof, and the details of the Employees who are beneficiaries of such variation.

16 Transferability of Shares

- 16.1 Subject to Clause 9, Clause 8.3.11 and Clause 7.7 of this Plan, any participant (employee/ ex-employee/ beneficiary) who wishes to sell the Shares acquired pursuant to Exercise of Grants can sell the Shares freely over the recognised stock exchange in India where Shares are listed.

17 Corporate Actions

- 17.1 In case of Corporate Action, the Board in accordance with applicable Laws shall ensure while taking into consideration the global best practices in this area that adjustment to Exercise Price, Number of options granted, accelerated vesting, etc., shall be appropriately made without prejudice to the interest of the Participant. The decision of the Board on whether such action is necessary and the extent of such action by the Board shall be final and binding.
- 17.2 The Board/ Committee may determine the procedure for making fair and reasonable adjustments to the number of Options and the terms of this Plan in case of corporate actions such as further capitalization, mergers, sale of division and others (so as to ensure the economic value of the benefits granted are not materially altered by either the corporate action, or the adjustment required as a result of the corporate action);

18 Arbitration

- 18.1 In the event of a dispute arising out of or in relation to the provisions of this Plan or any communication in relation thereto (including a dispute relating to the Construction or performance thereof), the relevant parties shall attempt in the first instance to resolve such disputes through an amicable settlement. The attempt to bring about an amicable settlement shall be considered to have failed as soon as one of the parties hereto, after a reasonable attempt, which attempt shall continue for not more than 90 days, gives 90 days' notice thereof to the other party in writing. In case of such failure, either party may refer the dispute to a single arbitrator appointed by both the parties and failing such agreement, to three arbitrators, one to be appointed by each party and the third arbitrator to be jointly appointed by the two arbitrators appointed by the parties. The arbitration proceedings shall be held in Mumbai under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof. The arbitrator shall give a reasoned award in writing. The arbitrator shall also decide on the costs of the arbitration proceedings. The parties shall submit to the arbitrator's award and the award shall be enforceable in competent court of law at Mumbai.

Nothing in this Clause will however limit the right of the Company to bring proceedings against any Participant in connection with this ESOP 2023:

- i. in any other court of competent jurisdiction; or
- ii. concurrently in more than one jurisdiction.

19 Governing Law

- 19.1 This Plan and all agreements thereunder shall be governed by and construed in accordance with the Applicable Laws of India. The Grant of Options and issue of Shares under this ESOP 2023 shall entitle the Company to require the Participants to comply with such requirements of Applicable Laws as may be necessary in the opinion of the Board and/ or Committee. In case of any conflict between the provisions of this ESOP 2023 and any provisions, rules, regulations or guidelines issued under Applicable Laws, the provisions of the Applicable Laws shall override the provisions of this ESOP 2023 to the extent of such conflict.
- 19.2 The Participant agrees and acknowledges that the Participant has received and read a copy of this Plan. In the event that any Applicable Laws render this ESOP 2023 as illegal or void, this ESOP 2023 shall automatically be treated as withdrawn and cancelled and the Company shall have no obligation or liability whatsoever towards any Participant including in relation to any Vested Options or Unvested Options. The inability of the Company to obtain approval from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful issuance and sale of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of the failure to Grant the Options or issue the Shares.
- 19.3 In order to comply with regulation of any other country or to avail any tax or other benefits, Committee or Board may at its sole discretion and in compliance with Applicable Laws, may formulate an addendum to this Plan for Employees employed in that country and made applicable to such Employees from the date determined by the Committee/ Board.

20 Regulatory approvals

- 20.1 The implementation of this Plan, the Grant of any Option as per terms of this Plan and the issuance/ transfer of any Shares under this Plan shall be subject to the procurement by the Company and the Participant/ Beneficiary of all approvals and permits required by any regulatory authorities having jurisdiction over this Plan, the Options and the Shares issued pursuant thereto. The Participant/ Beneficiary under this Plan will, if requested by the Board and/ or Committee, provide such assurances and representations, as the Board and/ or

Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

- 20.2 The Board shall make all the relevant disclosures in the Director's Report or any other reports/documents in relation to this Plan as are required under the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014 or any other applicable laws.
- 20.3 The Company shall maintain a register of Options in accordance with Applicable Laws and shall forthwith enter therein the particulars of all Options granted under the Plan.
- 20.4 The Company shall follow and confirm to applicable accounting policies issued by the Institute of Chartered Accountants of India from time to time and/ or accounting policies as per the Companies Act, 2013 as applicable.

21 Miscellaneous provisions

21.1 No right to a Grant:

Neither the adoption of this Plan, nor any action of the Board /Committee shall be deemed to give an Employee any right to be granted an Option to acquire Shares or to any other rights hereunder except as may be evidenced by a Letter of Grant, and only to the extent of and on the terms and conditions expressly set forth therein, or in this Plan as the case may be.

No member of the Board may act upon matters under this Plan specifically relating to such member of the Board.

21.2 No employment rights conferred:

Nothing contained in this Plan or in any Grant made hereunder shall (i) confer upon any Employee any right with respect to continuation of employment with the Company, or (ii) interfere in any way with the right of the Company to terminate his employment at any time.

- 21.3 The rights granted to an Option Grantee upon the grant of an Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with any present or past member of the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

21.4 Inability to obtain authority:

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

- 21.5 Neither the existence of this Plan nor the fact that an individual has on any occasion been granted an Option shall give such individual any right, entitlement or expectation that he has or

will in future have any such right, entitlement or expectation to participate in this Plan by being granted an Option on any other occasion.

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

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

21.8 The Company shall bear the costs of establishing and administering this Plan, including any costs of the Company's auditors or any independent financial adviser in relation to the preparation of any confirmation by them or provision of any other service in relation to this Plan.

21.9 Transfer or Deputation:

In the event that a Participant who has been granted Options under this Plan is transferred or deputed to any Subsidiary Company or any Associate Company as defined under the Companies Act, 2013 prior to Vesting or Exercise, the Vesting and/ or Exercise as per the terms of Grant shall continue in case of such transferred or deputed Participant even after the transfer or deputation.

21.10 Transfer pursuant to a plan of Arrangement, Amalgamation, Merger or Demerger or continued employment in existing company:

In the event that a Participant who has been granted Options under this Plan is transferred pursuant to a plan of arrangement, amalgamation, merger or demerger or continued employment in existing company prior to 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 employee.

21.11 Surrender of Options:

An employee may surrender his Vested/ Unvested Options at any time during his employment with the Company. Any employee willing to surrender his options shall communicate the same to the Company in the manner prescribed by the company. Thereafter, the surrendered options shall expire with effect from the date of surrender of options and become available for future grant under the Plan.

21.12 General Risks

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

22 Accounting and Disclosures

22.1 The Company shall follow the IND AS 102 on Share based Payments and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India or any other statutory authority from time to time, including the disclosure requirements prescribed therein, in compliance with relevant provisions of SEBI (SBEB and SE) Regulations 2021.

23 Certificate from Secretarial Auditors

23.1 The Committee shall at each annual general meeting place before the shareholders a certificate from the Secretarial Auditors of the Company that the Plan has been implemented in accordance with the SEBI SBEB Regulations and in accordance with the resolution of the Company in the general meeting.

24 Notices

24.1 All notices of communication required to be given by the Company to a Participant by virtue of this Plan shall be in writing. The communications shall be made by the Company in any one or more of the following ways:

- i. sending communication(s) to the address of the Participant available in the records of the Company; and/ or
- ii. delivering the communication(s) to the Participant in person with acknowledgement of receipt thereof; and/ or
- iii. emailing the communication(s) to the Participant at the official email address provided if any by the Company during the continuance of employment or at the email address provided by the Participant after cessation of employment.

24.2 All notices of communication to be given by a Participant to the Company in respect of Plan shall be sent to the address mentioned below:

Head: Human Resources

Company: Suven Pharmaceuticals Limited

Address: 8-2-334, SDE Serene Chambers, 3rd Floor, Road No. 5, Avenue - 7, Banjara Hills, Hyderabad-500 034, Telangana, India

E-mail: Info@Suvenpharm.Com

25 Nomination

The Employee has to nominate a person as his/her nominee. The nominee in case of Death or Permanent Incapacity of Employee shall be the legal representative recognized by the Company as the inheritor of the Employee in respect of all rights and liabilities for the purposes of this Plan.

26 Listing of the Shares

Subject to the approval of the Stock Exchange(s), the Shares issued and allotted on Exercise of the Options shall be listed on the recognized Stock Exchange(s) on which the Shares of the Company are listed.

27 Severability

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

28 Set-off

It is the Board /Committee's obligation to convey to the Participant/ Nominee that the Shares shall be subject to set-off or counterclaim of amounts owed by the Participant/ Nominee to the Board/ Committee, to the extent permitted under Applicable Laws.

29 Confidentiality

29.1 The Option Grantee specifically confirms and covenants to the Company that the Option Grantee is aware that the information regarding his/ her ESOP entitlements to this Plan is strictly confidential and that the Option Grantee cannot reveal/ share the information with any of his/ her peers, colleagues, co-employees or with any employee and/ or associate of the Company or any other company. In case Option Grantee is found in breach of this Confidentiality Undertaking, the Company has an undisputed right to forfeit the Options granted and all Vested and Unvested options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this Confidentiality Undertaking shall be final and binding upon the Option Grantee.

29.2 "Confidential Information" includes all trade related information, trade secrets, confidential and privileged information, customer information, employment related information, strategies, administration, research in connection with the Company or Promoters of the Company and commercial, legal, scientific, technical data that are either provided to or made available to the Option Grantee by the Company or developed by the Option Grantee to facilitate his/ her work or that the Option Grantee is able to know or has obtained access by virtue of his/ her employment or position with the Company, as the case may be. To illustrate, the following is an indicative list of Confidential Information:-

- i. computer programs, inventions, samples, designs, drawings, machines, tools, photographs, source codes, object codes, methods, concepts, formulas, algorithms, processes, technical

- specifications, analyses, discoveries, improvements, marketing methods, manufacturing processes, research and development information;
- ii. organizational matters, business plans, company policies, sales forecasts, employee and personnel information (including information pertaining to their terms of employment, experience, contact details, appraisals, performance, competencies, specialized skills/expertise, medical information, etc.);
 - iii. non-public financial information relating to the Company or Promoters of the Company including its financial results for any period;
 - iv. business plans of the Company or Promoters of the Company including its monthly reports and estimates;
 - v. Current and prospective customer lists and information on customers and their employees;
 - vi. Information relating to existing and potential intellectual property of the Company or Promoters of the Company;
 - vii. Dividend policy of the Company or Promoters of the Company including the intended declaration of dividend;
 - viii. Issue of shares of the Company or Promoters of the Company by way of public offers, rights issues, bonus issue, employee stock options;
 - ix. Major expansion plans or execution of new projects including information concerning amalgamations, mergers, acquisitions and takeovers being planned or contemplated by the Company or Promoters of the Company and information concerning the purchase of major equipment or property and the disposal of any undertakings of the Company or Promoters of the Company;
 - x. Information relating to the Company or Promoters of the Company regarding acquisition or loss of significant contracts, significant disputes with major suppliers, consumers or any Governmental or regulatory agency;
 - xi. Any information that may affect the earnings/ profitability of the Company or Promoters of the Company;

xii. Any other change in policies, plans or operations of the Company or Promoters of the Company.

29.3 In furtherance of this Plan, the Option Grantee confirms that:

- i. the Option Grantee shall not engage himself/ herself in activities that have or will have an adverse impact on the reputation of the Company or Promoters of the Company.
- ii. while during employment with the Company, the Option Grantee shall engage exclusively in the work assigned by the Company and shall not take up any independent or individual assignments, whether the same is part time or full time, (in an advisory capacity or otherwise) and whether directly or indirectly.
- iii. the Option Grantee shall not, directly or indirectly, engage in any activity or have any interest in, or perform any services for any person who is involved in activities which are or shall be (in the sole opinion of the Board) in conflict with the interests of the Company or Promoters of the Company.
- iv. in consideration of the Options granted to the Option Grantee, as also, opportunities, training and access to new techniques and know-how that has been made available to the Option Grantee, the Option Grantee shall also strictly abide by any and all of the terms of the employment agreed by the Option Grantee.
- v. the Option Grantee shall maintain as secret and confidential all Confidential Information and shall not use or divulge or disclose any such Confidential Information except as may be required under any obligation of law (subject to obtaining the consent of the Company) or as may be required by the Company.
- vi. the Option Grantee understands that the Grant of the Option is limited only to the Shares of the Company, and the Option Grantee shall have no recourse to the shares of any other company in any manner whatsoever.
- vii. the Option Grantee understands that “Confidential Information” means any or all information about the Company or Promoters of the Company that satisfies one or more of the following conditions:
 - (a). such information which has not been made generally available to the public, save and except for information disclosed to the public with the consent of the Company; or
 - (b). such information which is critical, in the Company’s opinion, to the Company’s current or anticipated business activities or those of a customer or supplier or

associate or channel partner of the Company or Promoters of the Company and the disclosure of the same would affect their competitiveness; or

- (c). such information which either has been identified as confidential by the Company or Promoters of the Company (either orally or in writing) or has been maintained as confidential from outside parties and is recognized as intended for internal disclosures only; or
- (d). such information which either is of a nature that it gives a distinct edge to the Company or Promoters of the Company over competition when not shared with the competition, or is likely to give any advantage to the competition or any other organization/ person/ group of persons when shared with the organization/ person/ group of persons; or
- (e). such information which is required to be kept confidential by any requirement of law.