



SHISH INDUSTRIES LTD

We make better...

SHISH INDUSTRIES LIMITED

CIN: L25209GJ2017PLC097273

Regd. Off: TP No.4, RS No.11 Paiki, 12-13 B, Paiki Plot C 1st Floor of 11 12 Suryapur Mill Compound,
Varachha Road Varachhali, Surat - 395006, Gujarat, India;

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EMPLOYEE STOCK OPTION PLAN 2023

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1. TITLE AND COMMENCEMENT

- 1.1. This employee stock option plan shall be called “Shish Industries Limited - Employee Stock Option Plan 2023” (“**ESOP 2023**” or “**Scheme**”) as formulated by Shish Industries Limited, a company incorporated under the Companies Act, 2013 and having its registered address at TP No. 4, RS No. 11 Paiki, 12-13 B, Paiki Plot C, 1st Floor of 11 12, Suryapur Mill Compound, Varachha Road Varachhali, Surat – 395006, Gujarat, India and includes its Group Company, Subsidiary, Associate Company, in India or outside India of the Company (“**Company**”).
- 1.2. This Scheme has been approved and authorized by the Board of Directors of the Company pursuant to the resolution dated June 21, 2023 and by the Shareholders of the Company pursuant to a special resolution dated July 20, 2023 passed at the 6th Annual General Meeting.
- 1.3. The Scheme shall be applicable to the Eligible Employee(s) as defined hereinafter as approved in accordance with this Scheme.
- 1.4. ESOP 2023 is established with effect from July 20, 2023 on which the Shareholders have approved the Plan by way of a special resolution and shall continue to be in force until earlier of:
 - i. The date all the Options reserved under the Plan are granted and exercised; or
 - ii. The date of termination by the Board of Directors, if any, of the Plan.

Thus, all the Employees meeting the eligibility criteria as may be determined by the Nomination and Remuneration Committee from time to time and who joins the Company, group company including subsidiary or its associate company, in India or outside India, of the company hereafter and till scheme is in force would also be entitled to the benefit under Plan.

2. OBJECTIVE

- 2.1. The Company has structured this Scheme for eligible employees of the Company, group company including subsidiary or its associate company, in India or outside India, of the company on positions of key responsibility, in accordance with the provisions of this Scheme and the Applicable Law(s) including but not limited to the Companies Act, 2013, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SEBI (SBEB and SE) Regulations**”).
- 2.2. The purpose of this Scheme is as under:
 - (a) Motivation to attain performance targets provided to the employees of the Company, group company including subsidiary or its associate company, in India or outside India, of the company;
 - (b) To offer an opportunity of sharing the wealth created with the employees of the Company, group company including subsidiary or its associate company, in India or outside India, of the company who have contributed to the creation of wealth of Shareholders of the Company;
 - (c) Aligning the objective of the individual employee of the Company, group company including subsidiary or its associate company, in India or outside India, of the company with the Company’s Shareholders’ interest and Company’s philosophy;
 - (d) Attract and retain talented employees within the Company, group company including subsidiary or its associate company, in India or outside India, of the company by rewarding their performance and motivating them to contribute to the overall corporate growth and profitability;
 - (e) Enable the eligible employees to share the value they create for the Company, in the years to come; and
 - (f) Bring a sense of loyalty within the employees of the Company, Group Company including subsidiary or its associate company, in India or outside India, of the company.
- 2.3. These purposes are sought to be achieved through the ESOP 2023 by granting stock option(s) exercisable into not exceeding 569857 (Five Lakhs Sixty Nine Thousand Eight Hundred Fifty Seven Only) Equity Share(s) to eligible employees of the Company pursuant to this Scheme.

3. DEFINITIONS AND INTERPRETATION

3.1. Definitions

In this Scheme, the following expressions including their grammatical variations or cognate expressions shall, where the context so admits, have the following meaning:

- (a) **“Acceptance Form”** means the form that the Eligible Employee(s) shall submit to the Company indicating his / her acceptance of the offer made to him to participate in the Scheme;
- (b) **“Act”** means the Companies Act, 2013 and shall include all rules, regulations, and sub-ordinate legislation made thereunder, as amended from time to time.
- (c) **“Administrator”** means the Board or the Nomination and Remuneration Committee or such other committee as constituted by the Board to whom the authority to perform functions for the purpose of this ESOP 2023 has been delegated by the Board, as the case may be.
- (d) **“Applicable Law(s)”** means: (i) statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications, guidelines, or policies of India; (ii) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or any consent, approval, authorization, waiver, no-objection, permit, grant, franchise, concession, agreement, license, certificate, exemption, order, registration, declaration, filing, report or notice of, or agreements with any governmental authority including but not limited to the Ministry of Corporate Affairs, the Securities and Exchange Board of India; and (iii) rules of any recognized Stock Exchange, as applicable, may be in force and have effect of law from time to time including but not limited to the Act, Income Tax Act, 1961, SEBI (SBEB and SE) Regulations, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (e) **“Articles of Association”** means the articles of association of the Company, as may be amended from time to time in accordance with the Applicable Law(s).
- (f) **“Associate Company”** shall have the same meaning as defined under section 2(6) of the Companies Act, 2013 (18 of 2013);
- (g) **“Board”** means the Board of Directors of the Company, as constituted from time to time, in accordance with the Applicable Law(s) and the Charter Documents.
- (h) **“Cause”** means the occurrence of any of the following event:
 - (i) any act or omission by an Employee(s) amounting to misconduct, breach of employment contract/appointment letter;
 - (ii) theft, fraud, gross negligence, unethical practices with respect to the Company;
 - (iii) failure to comply and conform with the policies of the Company;
 - (iv) willful suppression of material information or any other non-compliance or violation of any Applicable Law(s);
 - (v) any misconduct under Applicable Law(s);
 - (vi) any conviction of any criminal offence involving moral turpitude;
 - (vii) engaging directly or indirectly, in any activity similar to or competing with the business or acquiring an interest in any entity (except to the extent of 1% (One Percent) of the total paid-up share capital of a public listed company) whose primary business is similar to competing with the business or rendering service similar to or competing with the business;
 - (viii) willful damage or loss of property of the Company;

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- (ix) taking or giving bribes or any illegal gratification;
- (x) any act or conduct of any manner which would lead to, with any other Employee(s) or client of the Company, harassment or discrimination on the basis of gender, racial, religious belief, age, physical or mental disability, nationality, or marital status;
- (xi) absence without leave for more than such number of days as per the leave policy of the Company;
- (xii) absence for ten or more days without approved leave from the Company, in which case it will be deemed as voluntarily termination and employment will automatically come to an end;
- (xiii) habitual absence and/or late attendance without leave permission thereof;
- (xiv) riotous or disorderly behavior during working hours at the office;
- (xv) any act of subversive of discipline or willful insubordination;
- (xvi) habitual or gross negligence with respect to work;
- (xvii) joining any other employment without the prior consent of the Company,; or
- (xviii) any other act which is detrimental to the interest of the Company.
- (i) **“Charter Documents”** means collectively, the memorandum of association and the Articles of Association, as may be amended from time to time in accordance with the Applicable Laws.
- (j) **“Company”** shall have the meaning as ascribed to it in Clause 1.1 of this Scheme.
- (k) **“Dispute”** has the meaning ascribed to such term in Clause 18.2 of this Scheme.
- (l) **“Director(s)”** means in relation to the Company, any director of the Company as appointed in accordance with the Applicable Law(s).
- (m) **“Eligible Employee(s)”** shall have the meaning ascribed to it in Clause 5.1 of this Scheme.
- (n) **“Employee Stock Option”** means the option granted to an Employee, which gives such Employee the right, but not an obligation, to purchase at a future date the shares underlying the option at a pre-determined price.”
- (o) **“Equity Share Capital”** means the fully paid-up equity share capital of the Company.
- (p) **“Equity Share(s)”** or **“Share(s)”** means issued and fully paid equity share of the Company having a face value of Rupees 10/- (Rupees Ten Only) each and each carrying 1 (one) vote and all other (if any) equity share(s) or stock in the Equity Share Capital resulting from any subdivision, consolidation or reclassification of the Equity Share Capital or conversion, exercise or exchange of any preference share(s) or any other security.
- (q) **“ESOP 2023”** or **“Scheme”** shall have the meaning ascribed to it in Clause 1.1 of this Scheme.
- (r) **“Exercise Application”** means the application form set out in Schedule I, for the purpose of enabling the Option Holder(s) to apply to the Company along with a cheque/demand draft/any other mode of payment as intimated by the Administrator from time to time in respect of exercising the Option(s) by paying the Exercise Price within the Exercise Period.
- (s) **“Exercise Period”** means the time period after Vesting within which the Option Holder(s) can Exercise the Vested Option(s) in accordance with Clause 10.2 of this Scheme.
- (t) **“Exercise Price”** means the issue price being Rupees 381/- (Rupees Three Hundred Eighty One) per equity share including premium of Rupees 371/- (Rupees Three Hundred Seventy One) per equity share.
- (u) **“Exercise”** means delivery of duly executed and filled in Exercise Application by the Option Holder(s) to the Company for allotment of Equity Share(s) against Vested Option(s) pursuant to this ESOP 2023 in accordance with Clause 10 of this Scheme.
- (v) **“Grant”** means the process by which the Company issues Option(s) to Eligible Employee(s) under the Scheme.

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- (w) “**Grant Date**” means the date on which the Nomination and Remuneration Committee approves the Grant.
- (x) “**Grant Letter**” means the letter issued by the Administrator informing an Eligible Employee(s) of the Option(s) granted to him/her for acquiring a specified number of Equity Share(s) at the Exercise Price and as per the Vesting Schedule and/or Vesting Conditions and Exercise Period described therein.
- (y) “**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 per cent. of the members of the Board of Directors in the other company; or
- (iii) control the management or affairs of the other company;
- (z) “**Independent Director(s)**” shall have the meaning ascribed to it under Section 2(47) of the Act.
- (aa) “**Nomination Form**” means the form set out in Schedule II which the Eligible Employee(s) is required to deliver to the Company notifying his/her Nominee in accordance with the term of the Scheme.
- (bb) “**Nominee**” means the nominee as notified by the Eligible Employee(s) to the Company in the Nomination Form.
- (cc) “**Option Holder(s)**” means an employee who has been granted an Employee Stock Option in pursuance of ESOP 2023 and deemed to include a beneficiary being the legal heir or nominee of such Option Holder(s) upon his eventual death while in employment or service.
- (dd) “**Option(s)**” means the stock option(s) granted to an Eligible Employee(s), which gives such Eligible Employee(s) the right, but not an obligation, to purchase or subscribe at a future date to the Equity Share(s) underlying the option at the Exercise Price.
- (ee) “**Permanent Disability**” means any disability of whatsoever nature, be it physical, mental or otherwise, which permanently incapacitates an Eligible Employee(s) from performing any material job, work or task which the said Eligible Employee(s) was capable of performing immediately before such disablement, as determined by the Administrator based on a certificate of a medical expert identified by the Administrator.
- (ff) “**Person**” means an individual, corporation, partnership, limited liability partnership, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.
- (gg) “**Promoter**” shall have the meaning as ascribed to it under Section 2(69) of the Act.
- (hh) “**Promoter Group**” shall have the same meaning assigned to the term under the SEBI ICDR Regulations.
- Provided that** where the Promoter or Promoter Group of the Company is a body corporate, the Promoters of that body corporate shall also be deemed to be Promoters of the Company.
- (ii) “**Nomination and Remuneration Committee**” means Nomination and Remuneration Committee as constituted by Board in accordance with Section 178 of the Act and other Applicable Laws.
- (jj) “**Retirement**” means the retirement of an Eligible Employee(s) in accordance with the rules of the Company or as per Applicable Law(s), as the case may be.
- (kk) “**Shareholder(s)**” means any Person registered as the holder of beneficial interest of Share(s) of the Company.
- (ll) “**Stock Exchange**” means BSE Limited (BSE) or any other Stock Exchange in India on which the Company’s Share(s) are listed or to be listed in future.
- (mm) “**Tax**” or “**Taxes**” means any income tax or other taxes imposed on the Company or on an Eligible Employee(s) including with respect to the Grant and/or Exercise of the Option(s) under the ESOP 2023.

- (nn) **“Terms of Employment”** means the Company’s policies for employees and the terms of employment as contained in the terms of employment as contained in the employment letter/ contract/ Company Intranet and the Company handbook, which includes provisions for securing confidentiality, non-compete and non-poaching of other Employees and customers.
- (oo) **“Unvested Option(s)”** means an Option(s) in respect of which the relevant Vesting Conditions have not been satisfied and/or the Vesting Period is not complete; and as such, the Option Holder(s) has not become eligible to Exercise the Option(s); provided, however, this shall not include Option(s) which have not been carried forward to next tranche and such Option(s) shall lapse, be forfeited and shall be available for utilization in further Grant as part of this ESOP 2023.
- (pp) **“Vested Option(s)”** means an Option(s) in respect of which the relevant Vesting Conditions have been satisfied and the Vesting Period is completed and the Option Holder(s) has become eligible to Exercise.
- (qq) **“Vesting”** means the process by which the Eligible Employee(s) becomes entitled to receive the benefit of a Grant made under this Scheme.
- (rr) **“Vesting Conditions”** means the conditions for Vesting as specified in Clause 9.1 of this Scheme.
- (ss) **“Vesting Period”** means the period commencing from the Grant Date and expiring on the date on which the Option Holder(s) becomes eligible to Exercise the Option(s) as per Clause 9.3 of this Scheme.

All other words and expressions used and not defined herein shall have the same meaning assigned to it under the Act or SEBI (SBEB and SE) Regulations, as applicable.

3.2. Interpretation

In this ESOP 2023, unless the contrary intention appears:

- (a) In this Scheme (unless the context requires otherwise), any express reference to an enactment (which includes any legislation in any jurisdiction) includes references to:
- (i) that enactment as amended, extended or applied by or under any other enactment before, on or after the date of this Scheme; and
- (ii) any subordinate legislation (including regulations) made (before, on or after the date of this Scheme) under that enactment, as re-enacted, amended, extended or applied as described in paragraph (i) above, or under any enactment referred to in paragraph (i) above.
- (b) In this Scheme, any reference to a contract, deed, indenture, constitutional document or other agreement includes references to that contract, deed, indenture, constitutional document or other agreement as amended, modified, supplemented, superseded or terminated, on or after the date thereof.
- (c) In this Scheme, reference to including and include shall be construed to mean “including without limitation” and “include without limitation” respectively.
- (d) In this Scheme, references to INR or Indian Rupees are the lawful currency from time to time of the Republic of India.
- (e) Where there is any inconsistency between the definitions set out in Clause 3.1 and the definitions set out in any other Clause or schedule, then for the purposes of construing such Clause or schedule, the definitions set out in such Clause or Schedule shall prevail.
- (f) In this Scheme:
- (i) words importing the singular shall include the plural and vice versa; and

- (ii) references to a Person save as otherwise provided in this Scheme or save as otherwise may be reasonably inferred shall include the successors or permitted assigns of that Person (immediate or otherwise).
- (g) The headings in this Scheme do not affect its interpretation and are for convenience only. Any Schedule or annex to this Scheme shall take effect as if set out in this Scheme and references to this Scheme shall include its Schedules and annexure.
- (h) In this Scheme, unless the contrary intention appears, a reference to a recital, clause, sub-clause, paragraph, subparagraph, schedule or item is a reference to a recital, clause, sub-clause, paragraph, subparagraph, schedule or item of this Scheme.
- (i) For the purposes of any calculation under this Scheme, any fraction will be rounded up or down to the nearest integer.
- (j) In this Scheme, any references to “month” shall, unless a contrary intention appears, mean a continuous (period of thirty 30) days from (and excluding) the date of the event where applicable, else a calendar month and “year” shall, unless a contrary intention appears, mean a continuous period of twelve (12) months from (and excluding) the date of the event where applicable, else a continuous period of twelve (12) calendar months and “calendar year” shall unless a contrary intention appears, mean a continuous period of twelve (12) calendar months commencing on January 1st and ending on December 31st.

4. AUTHORITY, SCHEME AND ADMINISTRATION OF THE ESOP 2023

- 4.1. The Shareholders through special resolution dated July 20, 2023 approved the Grant of such number of Option(s) exercisable into not exceeding 569857 (Five Lakhs Sixty Nine Thousand Eight Hundred Fifty Seven Only) Equity Share(s), pursuant to the Scheme to the Eligible Employee(s) and have granted the authority of designing, implementing and administering such ESOP 2023 to the Board and the Administrator in accordance with the provisions hereof as well as the Applicable Law(s).
- 4.2. The Nomination and Remuneration Committee shall administer, supervise and formulate detailed terms and conditions of this ESOP 2023 in accordance with the provisions of this Scheme under the general direction and supervision by the Board.
- 4.3. The Company shall Grant (a) the Option(s) to Eligible Employee(s); and (b) upon Exercise by Eligible Employee(s), allot Equity Share(s) of the Company to such Eligible Employee(s) in accordance with this Scheme and as directed by the Administrator.
- 4.4. Subject to the provisions of this ESOP 2023 and Applicable Law(s), the Nomination and Remuneration Committee shall in its absolute discretion determine all the terms governing the ESOP 2023 including but not limited to:
 - (a) To adopt rules and regulations for implementing the Scheme from time to time;
 - (b) To increase or reduce the pool of Options to be granted under the Scheme;
 - (c) Selecting the Eligible Employee(s) to whom the Option(s) are to be granted;
 - (d) Determining the manner in which the Option(s) are to be granted;
 - (e) Determining the criteria for appraisal process for determining the eligibility of employees to the Employees Stock Option Scheme such as performance rating, period of service, rank or designation and such other parameters from time to time for Grant of Option(s) to an Eligible Employee(s);
 - (f) Determining the mode of payment of the Exercise Price (cheque, demand draft, or any other mode);
 - (g) Determining the terms and conditions subject to which the Option(s) would vest or lapse in respect of any Eligible Employee(s) and the Vesting Period including in case of termination of employment for misconduct and/or Cause;

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- (h) Determining the terms and conditions subject to which Vested Option(s) shall be exercised and the Exercise Period;
 - (i) Determining the number of Option(s) to be apportioned/allocated among Eligible Employee(s);
 - (j) Obtaining permissions from and making periodic reports to regulatory authorities, as may be required under the Applicable Law(s) as well as ensuring compliance with Applicable Law(s);
 - (k) Determining the terms and conditions for granting and Vesting of Option(s) and Exercise of Option(s) in case of Eligible Employee(s) on a long leave;
 - (l) Determining the terms and conditions of procedure for funding the Exercise of Option(s), if any;
 - (m) If any buy-back of Vested Option(s) from the Eligible Employee(s) is to be undertaken by the Company, determining the terms and conditions of procedure for such buy-back including (i) permissible sources of financing for buy-back of such Vested Option(s); (ii) minimum financial thresholds to be maintained by the Company as per its last financial statements; and (iii) limits upon the quantum of Vested Option(s) that the Company may buy-back in a financial year.
 - (n) Framing appropriate procedures and policies for Grant, Vesting and Exercise of Option(s) under the Scheme;
 - (o) Determining the procedure for making a fair and reasonable adjustment to the number of Option(s) and the Exercise Price in the event of any corporate actions such as rights issue, bonus issue, merger, sale of division etc. In this regard, the following shall, inter alia, be taken into consideration: (i) the number and price of Option(s) shall be adjusted in a manner such that the total value to the Eligible Employee(s) of the Option(s) remains the same after the corporate action; and (ii) the Vesting Period and the life of the Option(s) shall be left unaltered as far as possible to protect the rights of the Eligible Employee(s) who has been granted Option(s).
 - (p) Determining the procedure and the specific quantum of Vested Option(s) that may be exercised by an Eligible Employee(s) within the Exercise Period;
 - (q) Determining conditions under which the Vesting under this ESOP 2023 may be accelerated;
 - (r) Determining the manner and the timelines within which an Option Holder(s) shall pay the Exercise Price to the Company, and subject to Applicable Law(s), the manner and the timelines within which the Company shall allot Equity Share(s) to the Option Holder(s);
 - (s) To finalize letters and other documents, if any, required to be issued under the Scheme;
 - (t) Framing suitable policies and systems to ensure that there is no violation of any Applicable Law(s); and
 - (u) Exercising full powers and authority to take all decisions with respect to this Scheme and to implement this ESOP 2023.
- 4.5. The terms and conditions prescribed by the Nomination and Remuneration Committee shall be final and binding on all the Eligible Employee(s).
- 4.6. Where the Option(s) expires, lapses or becomes un-exercisable due to any reason, it shall be brought back in order to be made available for future Grant/ re-grant, subject to compliance with all Applicable Law(s).
- 4.7. The Administrator may at any time amend, discontinue or terminate this ESOP 2023 or any part or portion thereof at any time. Provided that any such amendment, discontinuation or termination that would impair the rights of or is detrimental to the interests of the Option Holder(s) shall not, to that extent, be effective, unless the procedure for such variation as prescribed under the Act and SEBI (SBEB and SE) Regulations has been followed.

- 4.8. For the purpose of efficient implementation and administration of the Scheme and with the prior approval of the Shareholders of the Company by way of a special resolution, the Company/ Administrator may at its discretion revise the terms of the Scheme and/ or terms of the Option(s) already granted under the Scheme subject to the condition that such amendment, alteration, or variation, as the case may be is not detrimental to the interest of Eligible Employee(s) except to meet any regulatory requirement without seeking Shareholders' approval by way of a special resolution.
- 4.9. The Company may also re-price the Option(s) which have been granted but are not exercised, whether or not they have been vested, if the Scheme is rendered unattractive due to a fall in the value of the Share(s), provided that the Company ensures that such re-pricing shall not be detrimental to the interest of the Option Holder(s) and approval of the Shareholders has been obtained for such re-pricing, by way of a special resolution.
- 4.10. Except as provided in this ESOP 2023, none of the Eligible Employee(s) and/or their family members shall acquire any rights of whatsoever nature either under this ESOP 2023 or otherwise, in the Option(s). No Eligible Employee(s) shall have any claim to be granted any Option(s) and there is no obligation on the part of the Company and/or the Administrator for ensuring uniformity of treatment of Eligible Employee(s) and/or Option Holder(s). The terms and conditions of the Option(s) may not be the same for each Eligible Employee(s)/ Option Holder(s), as the case may be.
- 4.11. The Administrator shall interpret the Scheme and shall make all other determination which are necessary or advisable for its administration. In respect of any issues arising in respect of the administration and implementation of the Scheme, the decision of the Administrator shall be final and binding on all Person concerned. The Company, Board and/or the Administrator shall not be liable for any action or determination made in good faith with respect to the Scheme or any Option(s) granted hereunder.
- 4.12. The Administrator may correct any defect, omission or reconcile any inconsistency in the Scheme in the manner and to the extent, the Administrator deems necessary or desirable and to resolve any difficulty in relation to the implementation of the Scheme and take any action which the Board is entitled to take.

5. ELIGIBLE EMPLOYEE(S)

- 5.1. Subject to the Applicable Laws and fulfillment of any other criteria as set forth by the Nomination and Remuneration Committee from time to time, the following present and future Employee(s) shall be eligible for the issuance of Option(s) under this Scheme ("**Eligible Employee(s)**"):
 - (i) Permanent employee of the Company exclusively working in India or outside India; or
 - (ii) a director of the company, whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or
 - (iii) an employee as defined in sub-clauses (i) or (ii) above, of a group company including subsidiary or its associate company, in India or outside India, of the company,
But, does not include;
 - (i) an employee who is a Promoter or a natural Person belonging to the promoter group of the Company; or
 - (ii) a Director(s) who either himself or through his / her relative or through anybody corporate, directly or indirectly, holds more than 10% (Ten Percent) of the outstanding Share(s) of the Company.
- 5.2. Subject to the SEBI (SBEB and SE) Regulations, and unless the Administrator decides otherwise, no Option(s) shall vest in an Eligible Employee(s), if such Eligible Employee(s) carries on or engages in, directly or indirectly, whether through a 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. The decision of the Administrator / Company in this regard shall be final and conclusive and cannot be called in question by any Employee(s).

For the sake of clarity, the restriction contained in this Clause shall not apply to any investment not exceeding 2% (Two Percent) of the paid-up equity share capital of such company; held as a portfolio by the Eligible Employee(s) or any activity/ business carried out by the Eligible Employee(s) pursuant to his / her duties as an Eligible Employee(s) or Director(s) of the Company and shall not apply to the Nominee of the Eligible Employee(s).

6. COMPLIANCE WITH APPLICABLE LAW(S)

- 6.1. This ESOP 2023 shall be subject to Applicable Law(s) and to such approvals as may be required under the Act, SEBI (SBEB and SE) Regulations, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable laws or regulations.
- 6.2. The Grant of Option(s) under this ESOP 2023 shall entitle the Company to require the Eligible Employee(s) to comply with such requirements of Applicable Law(s) and policy(ies) of the Company as may be necessary in the opinion of the Administrator.
- 6.3. The Option Holder(s) who will be granted Option(s) in pursuance of this ESOP 2023 shall comply with the requirements of Applicable Law(s) as applicable to them.
- 6.4. The Company and Option Holder(s) shall ensure that there is no violation of securities laws including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 as may be notified by SEBI and/or the Stock Exchange on which the Share(s) are listed. The Option Holder(s) shall keep the Company, Board and the Administrator, fully indemnified in respect of any liability arising for violation by the Option Holder(s) of the above provisions.

7. GENERAL RISKS

- 7.1. Participation in this ESOP 2023 shall not be construed as any guarantee of return on equity investment. All investment in Equity Share(s) or Option(s) on Equity Share(s) is subject to risk as the value of the Equity Share(s) may fluctuate. In addition, stock Option(s) are also subject to any change in the value of Equity Share(s) can lead to significantly large change in the value of the Option(s).
- 7.2. The Option(s) are personal to the Eligible Employee(s) and cannot be transferred to any other Person (except as may be permitted under this ESOP 2023). Therefore, Eligible Employee(s) cannot mitigate their risks by selling the whole or part of their Option(s) before they are exercised.

8. GRANT OF OPTION(S)

- 8.1. The Nomination and Remuneration Committee may offer the Option(s) to an Eligible Employee(s) in accordance with the terms and conditions of this ESOP 2023 and the Applicable Laws. The Nomination and Remuneration Committee will determine the number of Option(s) to be granted to each Eligible Employee(s).
- 8.2. During any 1 (One) year, no Eligible Employee(s) shall be granted Option(s) exercisable into Equity Share(s) equal to or exceeding 1% (One Percent) of the Equity Share Capital (excluding outstanding warrants and conversions), in accordance with Applicable Law(s), of the Company at the time of Grant of Option(s) unless approval from the Shareholders is taken by way of special resolution in a general meeting in this regard.
- 8.3. Subject to the maximum number of Option(s) agreed in the general meeting, which is 569857 (Five Lakhs Sixty Nine Thousand Eight Hundred Fifty Seven Only) Equity Share(s), the Option(s) may be granted in one or more tranches subject to Clause 8 of this Scheme, each Option(s) will entitle the Option Holder(s) to 1 (One) Equity Share of the Company.
- 8.4. The Grant of the Option(s) by the Nomination and Remuneration Committee to the Eligible Employee(s) shall be made in writing and communicated to the Eligible Employee(s) by a Grant Letter which shall state the number of Option(s) granted, the Exercise Price, closing date of accepting the offer and other disclosure requirements, as prescribed under the Applicable Law(s).

- 8.5. The method of acceptance of the Grant made pursuant to this Clause, shall be determined by the Administrator in accordance with the Scheme. Upon receipt of a duly completed Acceptance Form from the Eligible Employee(s) in respect of the Grant, the Eligible Employee(s) will become an Option Holder(s).
- 8.6. Subject to the terms and conditions contained herein, the acceptance in accordance with this ESOP 2023, of a Grant, made to an Eligible Employee(s), shall conclude a contract between the Eligible Employee(s) and the Company, pursuant to which each Option(s) shall, on such acceptance, be an Unvested Option(s).
- 8.7. The Company shall Grant the Option(s) to the Eligible Employee(s) as may be decided by the Administrator from time to time.
- 8.8. Except as otherwise set forth in this ESOP 2023, the Option(s) granted to the Eligible Employee(s) shall entitle the Eligible Employee(s) to Exercise Option(s) within the Exercise Period only after the Option(s) have become Vested Option(s).
- 8.9. Transfer of Option(s)**

The Option(s) granted under this Scheme cannot be pledged, hypothecated, charged, mortgaged, assigned or in any other manner encumbered or alienated. The Option(s) shall not be transferable to any Person and no Person other than the Eligible Employee(s) to whom the Option(s) is granted shall be entitled to Exercise the Option(s) except in the event of death or Permanent Disability of the Option Holder(s), in which case provision at Clause 11.3 or Clause 11.4 of the Scheme would apply.

9. VESTING OF OPTION(S)

- 9.1. Vesting Period shall commence from the Grant Date subject to minimum of 1 (One) year from the Grant Date and a maximum of 5 (Five) years from the Grant Date, at the discretion of and in the manner prescribed by the Committee and set out in the Grant Letter.

Provided that in the event of death or Permanent Disability of an Options Holder(s), the minimum Vesting Period of 1 (one) year shall not be applicable and in such instances, the all Options shall vest in terms of SEBI (SBEB & SE) Regulations, on the date of the death or Permanent Disability.

- 9.2. Vesting of Options can vary from Options Holder(s) to Options Holder(s) as per the discretion of the Committee whose decision shall be final and binding.
- 9.3. The vesting schedule will be clearly defined in their Grant Letter of respective Options Holder(s) subject to minimum and maximum Vesting Period as specified in Clause 9.1 above.

However, the Vesting schedule shall be as follows until and unless changed by the Committee:

Vesting Stage	Time Period	% of Options to be vested
Stage 1	At the end of 1st year from the grant date	10% of the Options Granted
Stage 2	At the end of 2nd year from the grant date	15% of the Options Granted
Stage 3	At the end of 3rd year from the grant date	20% of the Options Granted
Stage 4	At the end of 4th year from the grant date	25% of the Options Granted
Stage 5	At the end of 5th year from the grant date	30% of the Options Granted

- 9.4. As a pre-requisite of vesting, the Options Holder(s) is required to be in employment or service of the Company on the date of vesting and must neither be serving the notice of termination of employment / service, nor be subject to any disciplinary proceedings pending against the Options Holder(s) on such date of vesting. In case of any disciplinary proceedings against any Options Holder(s), the Committee can keep the relevant vesting in abeyance until disposal of the proceedings and such Vesting shall be determined accordingly. Apart from that, the Nomination and Remuneration Committee may also specify certain performance parameters, detailed terms and conditions relating to such performance based vesting, the proportion in which the options granted would vest and / or lock in period subject to which the Options would vest.
- 9.5. 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.
- 9.6. Further any fraction entitlement, to which the Options Holder(s) 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.
- 9.7. The Vesting of Options shall be communicated to the eligible Options Holder(s) in writing through vesting letter.
- 9.8. The Options Holder(s) is not required to pay any amount at the time of Vesting of Options.

9.9. Vesting of the Options in case of Employees on long leave

The period of leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical. 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 Nomination and Remuneration Committee.

9.10. Acceptance of Grant

- (a) An Option(s) granted to an Eligible Employee(s) pursuant to the Scheme may only be exercised by such Eligible Employee(s), except as specifically provided under this ESOP 2023.
- (b) An Option Holder(s) may accept or refuse the whole or part of the Grant of an Option(s). In the event an Option Holder(s) refuses any part of the Grant of Option(s) to him, such Option(s) shall automatically lapse.

9.11. Rights of an Option Holder(s)

The Option Holder(s) shall not be eligible to Exercise any rights as a Shareholder until he / she either Exercises the Option(s) granted under this ESOP 2023 and Equity Share(s) are allotted in his / her name by the Company in accordance with the provisions of the Act and this ESOP 2023.

10. EXERCISE OF OPTION(S)

- 10.1. An Option Holder(s) may Exercise a Vested Option(s) only during the Exercise Period by applying to the Company by sending an Exercise Application along with the payment of the Exercise Price in the manner determined by the Administrator.
- 10.2. After Vesting, Options can be exercised either wholly or partly, during the exercise window, within the overall exercise period as per following schedule after submitting the Exercise application along with payment of the Exercise Price, applicable taxes and other charges, if any.

Vesting Stage	Time Period for Exercising the Options
Stage 1	On or before expiry of two years and six months from the date of Vesting
Stage 2	On or before expiry of two years and six months from the date of Vesting
Stage 3	On or before expiry of two years and six months from the date of Vesting
Stage 4	On or before expiry of one year and six months from the date of Vesting
Stage 5	On or before expiry of six months from the date of Vesting

10.3. The method and time frame within which such consideration must be paid by the Option Holder(s) shall be set forth in the Grant Letter issued to such Eligible Employee(s).

Provided that, the Administrator may, at its sole discretion, modify such method or time frame on a case to case basis. The Exercise Price in respect of the Option(s) shall be paid in full upon the Exercise of the Vested Option(s). Payment must be made by one of the following methods:

- (a) Cheque or demand draft issued in the name of the Company as the Administrator may specify;
- (b) Remittance directly from the Eligible Employee(s)'s bank to the bank account of the Company (wire transfer) as the Administrator may specify; or
- (c) Any combination of such methods of payment or any other method acceptable to the Administrator at its sole discretion.

10.4. Each Option(s) granted to an Eligible Employee(s) shall entitle that Option Holder(s) to apply for and be allotted 1 (One) Equity Share upon payment of the Exercise Price during the Exercise Period.

10.5. Upon the receipt of the Exercise Notice, subject to the tender by the Eligible Employee(s) of the Exercise Price and any applicable taxes to the Company, the Company shall allot the Share(s) underlying the Option(s) in accordance with this Scheme to the Eligible Employee(s). Upon allotment of Equity Share(s) to the Option Holder(s) pursuant to the Exercise of Option(s), the Company shall enter the name of the Option Holder(s) as a Shareholder of the Company. Further, subject to the approval of the Stock Exchange the relevant equity Share(s) on the Exercise of the Option(s) shall be listed on the Stock Exchanges on which, the securities of the Company are listed.

10.6. The Eligible Employee(s) shall bear all taxes on any Exercise of Option(s).

10.7. Notwithstanding anything contained herein or elsewhere in this Scheme, it is hereby clarified that the Company is under no obligation to either buy the Share(s) or pay any compensation to any Eligible Employee(s) under this Clause as a result of the inability or unwillingness of the Eligible Employee(s) to acquire any Share(s), whether due to lack of funds, any restriction under law or otherwise.

10.8. Notwithstanding anything contained elsewhere in the Scheme, the Administrator and/or the Board and/or the Company may, if the Exercise of Option(s) within the Exercise Period is prevented by Applicable Law(s) or due to any Cause or any other reason deemed sufficient in the opinion of the Administrator, defer or refuse to permit the Exercise of Option(s) till such time as it is prohibited by the Applicable Law(s) or regulations and in such an event, the Company shall not be liable to pay any compensation or similar payment to the Eligible Employee(s) for any loss suffered due to such refusal.

Provided further, that the Board shall have the power and is hereby authorized to forfeit all or any of the Option(s) granted under the Scheme if so, required under any Applicable Law(s).

10.9. Upon Exercise of Option(s), the Eligible Employee(s) agrees to be bound by the Charter Documents and the Applicable Laws, as may be amended from time to time.

11. TERMINATION OF EMPLOYMENT

11.1. Resignation or termination (other than on account of Cause)

In the event an Option Holder(s) ceases to be an Employee, by reason of resignation or termination (other than on account of Cause), the Unvested Option(s) held by the Option Holder(s) shall lapse forthwith, without any obligations whatsoever on the Company or the Administrator.

All the Vested Options as on the date of submission of resignation may be exercised by the Option Holder(s) on or before last working day.

11.2. Termination for Cause

In the event an Option Holder(s) ceases to be an Employee by reason of termination of employment of the Employee for a Cause or in such situation where there is some dispute going on in any court and/or tribunal for termination for Cause, then all Option(s) (Vested Option(s) and Unvested Option(s)) shall lapse immediately on the date of termination of employment of such Employee.

11.3. Death

➤ In case of Vested Options:

(a) Where a Nominee has been nominated:

All Vested Options may be exercised by the deceased Options Holder's nominee on submission of Nomination Proof, within the Exercise Period from the date of death.

(b) Where a Nominee has not been nominated:

All Vested Options may be exercised by the deceased Options Holder's legal heir(s)/successor(s) on submission of Proof of Succession, within the Exercise Period or 1 year from the date of Succession Proof whichever is later.

➤ In case of Unvested Options:

(a) Where a Nominee has been nominated:

All the unvested options shall vest with Options Holder's nominee immediately and may be exercised by the deceased Options Holder's nominee on submission of Nomination Proof, within the Exercise Period from the date of death.

(b) Where a Nominee has not been nominated:

All the unvested options shall vest with Options Holder's legal heir immediately and may be exercised by the deceased Options Holder's legal heir(s)/ successor(s), within the Exercise Period or 1 year from the date of Succession Proof whichever is later.

11.4. Permanent Disability

For the purpose of this scheme, the determination of 'Permanent Disability' shall be supported by a medical certificate issued by a recognized and reputable medical practitioner identified by the Administrator. The determination of 'Permanent Disability' by the Administrator shall be final and binding on the Option Holder(s).

➤ **In case of Vested Options:**

All Vested Options may be exercised by the Option Holder or, if the Option Holder is himself, unable to exercise due to such Disability, the nominee or legal heir within the Exercise Period or 1 year from the date of such Disability whichever is later.

➤ **In case of Unvested Options:**

All the unvested options shall vest with Option Holder immediately and can be exercised by the Option Holder or, if the Option Holder is himself unable to exercise due to such Disability, the nominee or legal heir within the Exercise Period or 1 year from the date of such Disability whichever is later.

11.5. Retirement

In the event of the Retirement of an Option Holder(s) from the employment of the Company at the instance of or with the consent of the Company, then such Option Holder(s) shall continue to hold all Vested Option(s) and can Exercise them any time within the Exercise Period from the date of Retirement. All Unvested Option(s) shall vest as per the Vesting Schedule. All such Option(s) can be exercised within the Exercise Period.

11.6. Other Separation

The Nomination and Remuneration Committee shall decide whether the Vested Options as on that date can be exercised by the Option Holder(s) or not, and such decision shall be final.

All Unvested Options on the date of separation shall stand cancelled with effect from that date.

11.7. In the event an Option(s) expires or becomes un-exercisable without having been exercised in full by an Option Holder(s), then all such unexercised Option(s) shall lapse and shall become available for future Grant/ re-grant under the Scheme (unless the Scheme has terminated). In the event the Scheme has been terminated then all such unexercised Option(s) shall automatically lapse.

11.8. All Option(s), which are Vested Option(s) with an Option Holder(s) but are not exercised, will automatically lapse at the end of the Exercise Period. Further, in such case, the amount paid by Eligible Employee(s), if any, at the time of Grant, Vesting or Exercise of Option(s) shall be forfeited by the Company.

11.9. In case the Option(s) are not vested in Option Holder(s) on account of non-fulfillment of conditions relating to Vesting of Option(s) under this Scheme, the Company may refund the amount paid by Eligible Employee(s), if any, at the time of Grant or Vesting of Option(s), at Company's discretion.

11.10. In the event of transfer of an Option Holder(s) between Company, Group Company, Subsidiary, Associate Company, in India or outside India, of the Company, the Unvested Options as on the date of transfer, will continue to vest as per the original vesting schedule and capable of being exercised by the Option Holder(s) subject to the compliance with the Applicable Laws.

12. ISSUE OF SHARE(S) PURSUANT TO THE SCHEME

12.1. Issue of Equity Share(s)

(a) If a valid and duly completed Exercise Application is received from an Option Holder(s), then subject to the approval of the Board/Administrator, the Company shall allot Equity Share(s) resulting from the Exercise of the Option(s) to the Option Holder(s).

(b) Except as set forth in Clause 11.3 or Clause 11.4 of this Scheme, no Person other than the concerned Eligible Employee(s) shall be entitled to Exercise the Vested Option(s).

12.2. Period of lock-in

Administrator, at its sole discretion, may provide for lock-in of Equity Shares allotted under the ESOP - 2023, for a period not exceeding three years from the date of allotment.

Provided that in the event of death or permanent Disability of an employee, the requirement of lock-in shall not be applicable from the date of death or permanent Disability.

Provided further that the determination of 'Permanent Disability' shall be supported by a medical certificate issued by a recognized and reputable medical practitioner identified by the Administrator ("Board or the Nomination and Remuneration Committee or such other committee as constituted by the Board to whom the authority to perform functions for the purpose of this ESOP 2023 has been delegated by the Board, as the case may be"). The determination of 'Permanent Disability' by the Administrator shall be final and binding on the Option Holder(s).

12.3. Ranking of Share(s)

- (a) The Equity Share(s) allotted to the Eligible Employee(s) pursuant to the Schemes shall rank *pari passu* in all respect and shall have the same rights and liabilities as the existing Equity Share(s) of the Company.
- (b) The holding of Equity Share(s) by Option Holder(s) shall be subject to the provisions of the Act, Articles of Association and other Applicable Laws.

12.4. Rights of an Eligible Employee(s)

An Eligible Employee(s) who has been granted Option(s), shall have no right of a Shareholder, including but not limited to the right to vote or dividend, until the Vested Option(s), if any, are exercised by such Eligible Employee(s) as per the terms and conditions of this ESOP 2023 and subsequently Equity Share(s) are allotted to such Eligible Employee(s) by the Company.

13. TAX LIABILITY

- 13.1. Any Tax liability arising out of the Exercise of the Option(s) and/or allotment of Equity Share(s), as the case may be, shall be borne by the Eligible Employee(s) alone. The Eligible Employee(s) shall indemnify the Company against any tax or other liabilities that the Company may incur as a result of the issue of Option(s) and/or allotment of Equity Share(s) at the discretion of the Administrator.
- 13.2. The Company shall have the right to deduct from the Employee's salary or recover any tax that is required to be deducted or recovered under the Applicable Laws. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.
- 13.3. In the event there is any withholding tax liability on account of Grant of Option(s) or transfer/allotment of Equity Share(s) pursuant to the Exercise of such Option(s), the Company shall be entitled to withhold such tax from any dues to the Eligible Employee(s).
- 13.4. The Company reserves the right to not Grant the Option(s) or allot Equity Share(s) upon Exercise of the Option(s), in the event that the Eligible Employee(s) is unable to discharge in full his / her obligation(s) in the respect of applicable Taxes.
- 13.5. All Tax liabilities arising on account of the disposal of the Equity Share(s) shall also be borne by the Eligible Employee(s) alone.

14. CONFIDENTIALITY

The Employee(s) shall ensure that there is no violation of any regulations relating to insider trading as may be applicable, including the SEBI (Prohibition of Insider Trading Regulations), 2015 and the prevention of any fraudulent or unfair trade Practices related to the securities market. The Employee(s) shall ensure complete confidentiality in respect of all documents, matters and discussions in relation to the Scheme, Grant, the Allotment Letter or any connected matter. Any violation may result in cancellation of Grant or compulsory retransfer of Share(s) to a nominee as the Administrator may deem fit without prejudice to the other action which may be taken in this regard.

15. EMPLOYMENT AGREEMENT/APPOINTMENT LETTER

- 15.1. The Administrator shall have the discretion to make this ESOP 2023 and the terms of any Grant Letter as part of the employment agreement/appointment letter between the Company and any Eligible Employee(s).
- 15.2. The rights and obligations of any Eligible Employee(s) under the terms of his / her employment with the Company shall remain unaffected by his/her participation in this ESOP 2023. Neither the existence of this Scheme nor the fact that an Eligible Employee(s) has on any occasion been granted an Option(s) shall give such Eligible Employee(s) any right, entitlement or expectation that he / she has or will in future have any such right, entitlement or expectation to participate in this Scheme by being granted an Option(s) on any other occasion.
- 15.3. The terms of this ESOP 2023 or any Grant Letter does not confer upon an Eligible Employee(s) any guaranteed term of employment with the Company.
- 15.4. Nothing contained in this ESOP 2023 or in any Grant Letter to an Eligible Employee(s) shall supersede or interfere with any right that the Company may have under the relevant employment agreement/appointment letter, as the case may be, to terminate the employment of such Eligible Employee(s).
- 15.5. The rights granted to an Option Holder(s) upon the Grant of an Option(s) shall not afford the Option Holder(s) any rights or additional rights to compensation or damages in consequence of the loss or termination of his / her office or employment with the company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).
- 15.6. The Option Holder(s) shall not be entitled to any compensation or damages for any loss or potential loss which he / she may suffer by reason of being unable to Exercise an Option(s) in whole or in part.

16. ACCOUNTING POLICIES

The Company shall follow the requirements including the disclosure requirements of the accounting standards as may be prescribed by the Central Government in terms of Section 133 of the Act, or any other appropriate authority, from time to time, including any guidance note on the Accounting for employee share-based payment issued in that regard from time to time and the disclosure requirement prescribed therein, in compliance with relevant provisions of Regulation 15 of SEBI (SBEB and SE) Regulations.

17. DISCLOSURE OBLIGATIONS

- 17.1. The Board hereby undertakes to disclose such details of this ESOP 2023 in its annual report as required under the Act and the Applicable Law(s). The Board shall at each annual general meeting place before the Shareholders a certificate from the Secretarial Auditors of the Company that the Scheme has been implemented in accordance with the SEBI (SBEB and SE) Regulations and in accordance with the resolution of the Company passed in the extraordinary general meeting.

- 17.2. The Company shall make disclosures to the prospective Option Holder(s) containing a statement of risk, information about the Company and salient features of the ESOP 2023 in a format as prescribed under SEBI (SBEB and SE) Regulations.
- 17.3. The Company shall disclose details of Grant, Vesting, Exercise and lapse of the Option(s) in the Directors' Report or in an annexure thereof as described under the SEBI (SBEB and SE) Regulations or any other Applicable Law(s) as in force.
- 17.4. The Board/ Company shall make all the relevant disclosures in the Director's Report in relation to the Scheme as are required under securities laws as and when it is applicable or any other Applicable Law(s).

18. GOVERNING LAW AND DISPUTE RESOLUTION

18.1. Governing Law and Jurisdiction

This ESOP 2023 shall be governed by, construed and enforced in accordance with the laws of India, and subject to the exclusive jurisdiction of the courts at Surat, Gujarat, India.

18.2. Dispute Resolution

Any dispute, discrepancy or disagreement, which shall arise under, or as a result of, or pursuant to, or in connection with this ESOP 2023 ("Dispute"), shall be referred to the Administrator. In the event, the Administrator is unable to resolve such Dispute within 30 (Thirty) days from the date of reference to the Administrator such Dispute shall be referred to a sole arbitrator or Indian Council of Arbitration (ICA) in accordance with the provisions of the (Indian) Arbitration and Conciliation Act, 1996. The sole arbitrator shall be appointed or manner shall be referred to ICA, as the case may be, by the Company within 30 (Thirty) days of the date of reference of such Dispute to the Administrator. The decision of the sole arbitrator or ICA, as the case may be, shall be final and binding on the Company and the Employee(s). The arbitration shall be conducted in English and the venue of arbitration shall be Surat, Gujarat, India.

19. CHANGE IN CAPITAL STRUCTURE

- 19.1. Except as hereinafter provided, a Grant made shall be subject to adjustment, by the Administrator at its discretion as to number (vested as well as unvested) and price of Option(s) or Share(s), as the case may be, in the event of a change in capital structure.
- 19.2. The existence of the Scheme and the Grant made hereunder shall not in any way affect the right or the power of the Board or the Shareholders or the Company to make, undertake or authorize any change in capital structure including any issue of Share(s), debt or other securities having any priority or preference with respect to the Share(s) or the rights thereof.
- 19.3. If there is a change in the capital structure of the Company before any Option(s) Granted under this Scheme are exercised, the number of Share(s) to which the Eligible Employee(s) shall be entitled and rights under such unexercised Option(s) shall be adjusted in the following manner:

The number of Share(s) to which the Eligible Employee(s) shall be entitled shall be calculated, at the time of the Exercise of the same, as if these unexercised Option(s) are being Vested in him/her before such change in the capital structure of the Company. It is hereby clarified that the number of Share(s) with respect to which the Option(s) may be exercised after a change in the capital structure of the Company shall, in the event of:

- (a) an increase in the number of resultant Share(s), be proportionately increased, and the Exercise Price, be proportionately reduced;
 - (b) a reduction in the number of resultant Share(s), be proportionately reduced, and the Exercise Price, be proportionately increased;
- 19.4. In case the provisions of Applicable Law(s) restrict/prohibit the issue of Share(s) at a discount to its par value, the Exercise Price shall not be less than the amount as prescribed under such law.
- 19.5. The rights under these Option(s) not exercised by him/her shall stand correspondingly adjusted.

20. CORPORATE ACTION

- 20.1. Nothing contained in this Scheme shall be construed to prevent the Company from taking any corporate action which is deemed by the Company to be appropriate or in its best interest, whether or not such action would have an adverse effect on the Scheme. No Eligible Employee(s), beneficiary or any other Person shall have any claim against the Company as a result of such corporate action.
- 20.2. In case of corporate action, the Board shall ensure while taking into consideration the best practices in this area including the procedures followed by the derivative markets in India that the Vesting Period and the life of the Option(s) shall be left unaltered as far as possible to protect the rights of the Eligible Employee(s). 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.
- 20.3. If a change of control occurs, the Board may make such adjustments at its discretion as are necessary or appropriate in light of the change of control (including, without limitation, the substitution of stock other than stock of the Company as the stock optioned hereunder, and the acceleration of the exercisability of the Option(s)), provided that the Board determines that such adjustments do not have a substantial adverse economic impact on the Eligible Employee(s) as determined at the time of the adjustments.
- 20.4. In case of any corporate action(s) resulting in reorganization of capital structure of the Company, the number of Options and/or the shares to be allotted upon Exercise of Options would be reasonably adjusted in accordance with the provisions of the ESOP -2023.
- 20.5. In case of subdivision or consolidation of Equity Shares then the number of Equity Shares and the Exercise Price shall automatically stand augmented or reduced, as the case may be, without affecting any other rights or obligations of the Eligible Employees who have been granted Options under ESOP -2023.

21. MISCELLANEOUS

- 21.1. The Administrator/ Company shall convey to the Option Holder(s)/ Nominee that the Share(s) shall be subject to set-off or counterclaim of amount owned by the Option Holder(s) / Nominee to the Company's/Administrator to the extent permitted under the Applicable Law(s).

21.2. Further Assurances

The Eligible Employee(s) shall enter into such agreement(s), as the Administrator may direct from time to time to implement this ESOP 2023.

21.3. Re-Grant of Option(S)

The Board may at its discretion re-grant Option(s) to Eligible Employee(s) by replacing the existing Option(s) for reasons such as restructuring of share capital, share split or change in face value etc. The Option(s) that may be re-allotted may be reduced in number as may be deemed fit by the Board.

21.4. Inability to Obtain Authority

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

21.5. Exit Route in case of De-Listing

If the Company gets de-listed from all recognized Stock Exchange, then the Administrator shall have the power to set out terms and conditions for treatment of Vested Option(s) and Unvested Option(s) in compliance with the Applicable Law(s).

21.6. Notices and Correspondence

- (a) Any notice required to be given by an Eligible Employee(s)/ Nominee to the Company/ Administrators or any correspondence to be made between an Eligible Employee(s)/ Nominee and the Company/ Administrator may be given or made to the Company/ Administrator at the registered office/corporate office of the Company or at a place as may be notified by the Company/ Administrator in writing.
- (b) Any notice, required to be given by the Company, the Administrator to an Eligible Employee(s)/ Nominee or any correspondence to be made between the Company/ the Administrator and an Eligible Employee(s)/ Nominee shall be given or made by the Company/ the Administrator on behalf of the Company at the address in records of the Company or at any other address as may be provided by the Eligible Employee(s) in his / her Acceptance Form.

21.7. Severability

In the event any one or more provisions, Clauses, Schedules contained herein is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any other provision, Clause or Schedule of this ESOP 2023 shall remain unaffected.

21.8. Entire Understanding

This ESOP 2023 and any instruments executed pursuant to this ESOP 2023 shall constitute the entire understanding between the Company and the Eligible Employee(s) in relation to the subject matter hereof and supersede in its entirety all prior undertakings, understanding and agreements between the Company and the Eligible Employee(s) in respect of the subject matter hereof.

21.9. Binding Provisions

Notwithstanding anything contained in this ESOP 2023, all Equity Share(s) issued pursuant to the Exercise of Option(s) granted under this Scheme shall be bound by and be subject to Act, Articles of Association and Applicable Law(s).

Dated this _____, 2023

For and on behalf of the Board

Shish Industries Limited

Name: Satishkumar Dayabhai Maniya

Designation: Chairman and Managing Director

SCHEDULE I

FORM OF APPLICATION FOR EXERCISE OF OPTION(S)

Date: DD/MM/YYYY

To,
The Board of Directors/ Committee of Board,
Shish Industries Limited

Sub: Application for Exercise of Option(s)

Capitalised terms used herein but not defined have the same meaning as assigned to them under the Shish Industries Limited - Employee Stock Option Plan 2023 (“Scheme”)

This is with reference to <<>> Option(s) granted to me by grant letter dated <<>> in accordance with the Scheme (“Grant Letter”). In accordance with the Vesting Schedule and/or Vesting Conditions as set forth in the Grant Letter <<>> Option(s) are Vested Option(s) which are available for Exercise in accordance with the terms and conditions of the Scheme.

I hereby agree to subscribe to the Equity Share(s) of Shish Industries Limited. (“Company”) and be bound by the terms and conditions of the Articles of Association, the Scheme, as may be amended from time to time.

Grant and Exercise details

Particulars	Date	Number of Option(s)
Total Option(s) granted		
Vested Option(s)		
Option(s) being exercised		

Payment details:

Amount:	
Mode of payment and details: (Cheque No./DD No./ UTR No.)	
Date of Cheque/DD/ UTR	
Bank details:	
Beneficiary Name:	
Bank Name:	
Branch Address:	
IFSC:	

Demat details:

D.P.Name	
DP Id	
Demat Account Number	

I hereby declare that the amount remitted by me has been derived through legitimate sources only and do as not involve and is not designed for the purpose of contravention of any Law.

I further declare that the information furnished above is correct and true and I am subscribing for the said Share(s) for myself and not as a nominee for any other Person.

Name in full:	
Designation:	
Address:	
Nationality:	
Passport No.:	
PAN:	
Signature:	
Date:	

SCHEDULE II
FORMAT OF NOMINATION FORM

Date: DD/MM/YYYY

To,
The Board of Directors/ Committee of Board,
Shish Industries Limited

Sub: Details of nomination

Capitalised terms used herein but not defined have the same meaning as assigned to them under the Shish Industries Limited - Employee Stock Option Plan 2023 (“Scheme”)

This is with reference to <<>> Option(s) granted to me by grant letter dated <<>> in accordance with the Scheme (“Grant Letter”).

In respect of the Option(s) granted to me under the Grant Letter and which have been accepted by me, I hereby nominate the following natural Person, as my Nominee, to exercise the Option(s) to which I am entitled to and to receive the underlying Equity Share(s) in accordance with the provisions of the Scheme, in the event of my death.

Name of the Nominee	
Date of Birth of the Nominee	
Address of the Nominee	
Relationship with the Nominee	
Any Identification I.E. PAN / Aadhar / Passport / Any Other Government Recognized Proof	

This nomination supersedes, revokes and replaces all nominations, if any, made by me prior to the date hereof.

Signature of the Eligible Employee	
Name of witness	
Signature of witness	
Address of witness	