XELPMOC DESIGN AND TECH LIMITED

EMPLOYEES STOCK OPTION SCHEME - 2026

1. Introduction of the Scheme:

1.1 This Scheme shall be called the Xelpmoc Design and Tech Limited Employee Stock Option Scheme – 2026 ("**Scheme**").

1.2 The Scheme was approved by the Board of Directors of the Company on August 14, 2026 and Shareholders of the Company at Annual General Meeting held on September 30, 2026. Accordingly, the Scheme shall be effective from September 30, 2026 being the date of shareholders' approval.

2. Purpose of the Scheme:

The Purpose of this Scheme includes the followings:

a) To motivate the employees to contribute to the growth and profitability of the Company.

b) To provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company.

c) To reduce the attrition rate of the Company.

d) To achieve sustained growth and the creation of shareholder value by aligning the interests of the employees with the long term interests of the Company.

e) To create a sense of ownership and participation amongst the employees to share the value they create for the Company in the years to come, and

f) To provide additional deferred rewards to employees.

3. Definitions:

In this Scheme, except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against.

3.1 **"Applicable Law"** includes every law relating to Employee Stock Options in force, including, without limitation to, Companies Act, 2013("Act"), Securities and Exchange Board of India Act, 1992 and regulations made there under, as applicable, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and all relevant revenue, tax, securities or

exchange control regulations or corporate laws of India or any relevant jurisdiction. The Applicable Law includes any provision of the applicable law, rule(s), regulation(s), notification(s), circular(s) or any other similar form of directives issued by the competent authority under the relevant applicable law from time to time.

3.2 **"Beneficiary"** means a person or persons who is/are entitled by the will of the Grantee to receive the benefits specified in the Scheme, the legal heirs of the Grantee, if the Grantee dies intestate and includes the Grantee's executors or administrator, if no other beneficiary is designated and able to act under the circumstances and such other persons as may be added from time to time to the class of beneficiaries by notice in writing and by the nomination forming the exercise of any powers conferred under the Scheme or any other agreements forming part thereof.

3.3 **"Board"** means the Board of Directors of the Company.

3.4 **"Committee"** means the Nomination and Remuneration Committee of the Company constituted in terms of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and which is designated as Compensation Committee for the purpose of, inter-alia, administration and superintendence of this Scheme.

3.5 **"Company"** means Xelpmoc Design and Tech Limited, a Company limited by shares, incorporated and registered under the Companies Act, 2013 and presently having its registered office at No.57, 13th Cross, Novel Business Park, Hosur Road, Anepalya, Adugodi, Bengaluru - 560030, Karnataka.

3.6 **"Corporate action"** means a share split, merger, demerger, sale of division, consolidation, rights issues, bonus issues, buy back of shares and any other corporate actions which has the effect of change in the capital structure (including by way of revision in the face value).

3.7 **"Employee"** means-

a) an employee (Present/Future) as designated by the Company, who is exclusively working in India or outside India;; or
b) a Director of the Company, whether a whole time director or not; including a non-executive director who is not a Promoter or member of the Promoter Group;; or
c) an employee as defined in clauses (a) or (b) of a Subsidiary Company(ies) of the Company, in India or outside India.

but does not include:

a) An employee who is a promoter or belongs to the promoter group; or
b) A director who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten percent of the outstanding shares of the Company/Subsidiary Company; or
c) an Independent Director.

3.8 **"Eligibility Criteria"** means the criteria, as may be determined from time to time by the Committee, based on various parameters including but not limited to any or all of the following i.e. loyalty, performance, designation, employment terms etc. of an Employee in the Company.

3.9 **"Exercise"** means making of an application by the Grantee to the Company for issuance of Shares against the vested Options in the Grantee in pursuance to this Scheme on payment of the exercise price.

3.10 **"Exercise date"** means the date on which the Grantee exercises his vested Options and in case of partial exercise shall mean each date on which the Grantee exercises part of his vested Options.

3.11 **"Exercise Period"** means the time period after vesting within which a Grantee should exercise his right to apply for shares against the vested Option in pursuance of this Scheme.

3.12 **"Exercise Price"** means the price payable by the Grantee for exercising the Options granted to him and vested in him in pursuance to the Scheme. Under this Scheme, the Exercise Price will be informed to the Grantee, by the Committee, through grant letter.

3.13 **"Grant"** means the process by which the Company issues Options to the Grantee.

3.14 **"Grant Date"** means the date on which the Options are granted to a Grantee by the Committee under the Scheme.

3.15 **"Grantee"** shall mean an employee to whom the Option have been granted under the Scheme. The Grantee shall include his / her beneficiary(ies) wherever applicable.

3.16 **"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 date of meeting of Committee on which grant is to be made.

Explanation–As the shares of the Company are listed on more than one stock exchange, then the closing price on the stock exchange having higher trading volume

shall be considered as the market price.

3.17 **"Option"** means a right, but not an obligation to purchase or subscribe at a future date, the shares offered by the Company at a pre–determined price, in accordance with this Scheme.

3.18 **"SEBI (SBEB&SE) Regulations"** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and shall include any alteration(s), amendment(s), addition(s), deletion(s), modification(s), or variation(s) thereof.

3.19 **"Scheme"** shall mean the Xelpmoc Design and Tech Limited Employees Stock Option Scheme – 2026 and shall include any alteration(s), amendment(s), addition(s), deletion(s), modification(s), or variation(s) thereof from time to time.

3.20 **"Share"** means an equity share of the Company.

3.21 **"Unvested Option"** means an Option, which is not vested.

3.22 **"Vesting"** means the process by which the Grantee becomes entitled to receive the benefit of a grant made to him under this Scheme.

3.23 **"Vesting Period"** means the period during which the Vesting of the Options Granted to the Grantee in pursuance of this Scheme takes place.

3.24 **"Vested Option"** means an Option, which has vested in pursuance to this Scheme Grantee /Beneficiary and has thereby become exercisable.

3.25 **"Vesting Date"** means the date on and from which the Option vests with the Grantee /Beneficiary and there by becomes exercisable.

Interpretation:

In this document, unless the contrary intention appears:

a) *The singular includes the plural and vice versa;*

b) *The word "person" includes an individual, a firm, a body corporate or unincorporated body or authority; and*

c) *Any word or expression importing the masculine, feminine or neuter genders only, shall be taken to include all three genders.*

d) *Any word which is not defined under the Scheme shall be interpreted in line with SEBI (SBEB&SE) Regulations.*

e) *Clause headings are for information only and shall not affect the construction of this document.*

f) *A reference to an Article, Clause or Schedule is respectively a reference to a Clause or Schedule of this document. The Schedules to this document shall for all purposes form part of this document.*

g) *Reference to any Act, Rules, Statute or Notification shall include any statutory modification, substitution or re-enactment thereof.*

4. Implementation & Administration:

4.1 The Company proposes to implement this Scheme through Direct Route for extending benefits to Grantee by way of fresh allotment and will follow cash mechanism.

4.2 Subject to applicable Laws and the framework laid down by the Board, the Scheme shall be administered by the Committee, which may delegate its duties and powers in whole or in part as it may decide from time to time.

4.3 The Committee is authorized to interpret the Scheme, to establish, amend and rescind any rule(s) and regulation(s) relating to the Scheme and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Scheme.

4.4 The Committee may correct any defect, omission or reconcile any inconsistency in the Scheme in the manner and to the extent the Committee deems necessary or desirable in accordance with the applicable laws and regulations.

5. Committee:

5.1 The Committee of the Company means the Committee as defined in Article 3 above for effective administration of the Scheme. This Committee for all purposes under SEBI (Share Based Employee Benefit and Sweat Equity) Regulations will be considered as Compensation Committee.

5.2 The Committee shall be entitled to invite any person to attend its meetings and participate in the discussions and deliberations, if it may so deem fit. The Committee, in exercise of its powers, may require any information from the management of the Company, and/or seek the assistance of any employee of the Company as it may deem fit, to fully and effectively discharge its duties.

5.3 Any decision of the Committee in the interpretation and administration of the Scheme, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all the parties concerned (including but not limited to, Grantee and/or employee and their beneficiaries or successors).

5.4 The Committee shall, *inter alia*, have powers to do following:

i. Adopt rules and regulations for administration of the Scheme from time to time.

ii. Identify Employees eligible to participate in the Scheme.

iii. Grant Options to the Grantee and determine the Grant date.

iv. Determine the number of Options to be granted to each Grantee and in aggregate subject to the maximum number of Options as specified under the Scheme.

v. To decide on the quantum of the options to be vested at the end of each vesting period (Vesting Schedule).

vi. Decide vesting condition including vesting period and number of options to vest over the vesting period for various grants on the basis of vesting criteria in accordance with the provisions of the scheme.

vii. Decide the specified time period within which the Grantee shall exercise the Vested Options in the event of termination or resignation of a Grantee.

viii. Accelerate the vesting of Options on a case to case basis, as the Committee deems fit, subject to completion of minimum 1 year from the date of grant of Options.

ix. Decide upon the rights of a Grantee to exercise all the Options vested in him at one time or at various points of time within the exercise period.

x. The vesting and exercise of Option in case of Grantees who are on long leave i.e. who are on leave of more than 3 months.

xi. The procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of Options and to the exercise price in case of corporate actions as defined above. In this regard, the following shall, inter alia, be taken into consideration by the Committee-

- the number and price of Options shall be adjusted in a manner such that total value to the Grantee of the Options remains almost the same after the corporate action;

- the vesting period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Grantee(s) who is granted such Options;

xii. Determine the method for exercising the Vested Options, period of Exercise, etc.

xiii. Determine the Exercise price of the Options Granted.

xiv. Re-pricing of the Options which are not exercised, whether or not they have been vested, if Employee Stock Options rendered unattractive due to fall in the price of the shares in the market.

xv. Determine the terms and conditions, not inconsistent with the terms of the Scheme, of any Option granted hereunder.

xvi. Approve letters and other documents, if any, required to be issued under the Scheme.

xvii. Decide all other matters that must be determined in connection with an Option under the Scheme in accordance with SEBI (SBEB) Regulations.

xviii. Construe and interpret the terms of the Scheme, and the Options Granted pursuant to the Scheme.

xix. Frame such policies and procedures to ensure that there should be no violation of:

- 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 the Securities Market) Regulations 2003.

xx. The procedure for funding the exercising of Vested Options in case if the Company wants to provide loans to the employees.

xxi. The procedure for buy-back of specified securities issued under the SEBI (SBEB) Regulations, if to be undertaken at any time by the Company, shall be administered and determined by the Committee, 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 specified securities that the Company may buy-back in a financial year;

'Specified securities' shall have the meaning ascribed to it under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. The Eligibility Criteria and identification of eligible Employees

5.5 The powers and functions of the Committee can be specified, varied, altered or modified from time to time by the Board of Directors, subject to the rules and regulations as may be in force. The Board may further provide that the Committee shall exercise certain powers only after consultation with the Board and in such case, the said powers shall be exercised accordingly.

5.6 A member of the Committee shall abstain from participating in and deciding on any matter relating to grant of any Option to himself.

5.7 No member of the committee shall be personally liable for any decision or action taken in good faith with respect to the Scheme.

6. Share Pool of the Scheme:

6.1 The maximum number of Options that may be granted under the Scheme shall not exceed 7,41,116 (Seven Lakhs Forty-One Thousand One Hundred and Sixteen) Options convertible into equal number of Equity shares of face value of Rs. 10/- each of the Company i.e. 7,41,116 (Seven Lakhs Forty-One Thousand One Hundred and Sixteen).

6.2 If any Option granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be available for further grant under the Scheme as per the discretion of the Committee.

6.3 Further, the maximum number of Options that can be granted and the shares arise upon exercise of these Options shall stand adjusted in case of any Corporate Action.

6.4 The Company reserves the right to increase or decrease such number of shares as it deems fit, in accordance with the applicable laws.

7. Appraisal and Eligibility:

7.1 As soon as may be possible after the Scheme comes into effect and at times thereafter, as deemed fit by the Committee, the Committee shall base on the following criteria, including but not limited to, decide on the Employees who are eligible for the grant / vesting of Options under the Scheme and the terms and conditions thereof:

- **i** Loyalty: It will be determined on the basis of tenure of employment of the Grantee in the Company.
- **ii** Performance: Grantee's performance during the financial year on the basis of the parameters decided by the management.
- **iii** Designation: Grantee's designation as per the HR Policy of the Company/Subsidiary Company.
- **iv** The present and potential contribution of the Employee to the success of the Company/Subsidiary Company;
- **v** High market value/difficulty in replacing the Grantee
- **vi** High risk of losing the Grantee to competition,
- **vii** Value addition by the new entrant if any, and
- **viii** Employment terms

7.2 New Joinees can also participate in the Scheme based upon the discretion of the Committee.

7.3 The Board / Committee may in its absolute discretion vary or modify such criteria and/or selection and/or the terms and conditions for granting any Option to any Grantee or class of Grantees.

7.4 Nothing in the Scheme or in any Option granted pursuant to the Scheme shall confer on any individual, any right to continue in the employment of the Company or interfere in any way with the right of the Company to terminate the individual's employment at any time.

8. Grant of Options:

8.1 The Committee shall grant Options to one or more Grantees, in accordance with the terms and conditions of the Scheme for the time being in force and subject to his/her employment terms or his/her continuity in the employment, and other parameters as set out by the Committee. No amount shall be payable by the Grantee employee at the time of grant of Options.

8.2 The maximum number of Options that can be granted to any Grantee during any one year shall not be equal to or exceed 1% of the issued capital of the Company at the time of grant of Options. The Board may decide to grant such number of Options equal to or exceeding 1% of the issued capital to any Grantee as the case may be, subject to the separate approval of the shareholders in a general meeting.

8.3 Each Option granted shall be advised to the Grantee in writing, specifying the vesting date, number of Options granted, the Exercise Price, the Vesting schedule of the Option, the earliest date on which the Options under the grant shall be eligible for Vesting, and other terms and conditions thereof.

8.4 Unless agreed otherwise between the Company and any Grantee and subject to the Corporate Action(s) taken by the Company, if any, the grant of 1 (One) Option to a Grantee under this Scheme shall entitle the holder of the Option to apply for 1 (One) Equity Share of face value of Rs 10/- each in the Company upon payment of Exercise Price.

8.5 Any grant of options to a Non – Executive and Non – Independent Director shall be made in compliance of Regulation 17 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

8.6 The Option granted to the Grantees shall not be transferable to any other person.

8.7 The Option granted to the Grantees shall not be pledged, hypothecated, mortgaged or otherwise encumbered or alienated in any other manner.

9. Method of Acceptance:

9.1 Any Grantee who wishes to accept the Grant made pursuant to **Article 8** hereof, must communicate his acceptance to the company within 30 days of the date of receipt of the Grant letter by submitting a signed copy of Grant letter to the Company. Any Grantee who fails to communicate such acceptance within the abovementioned time period, shall be deemed to have rejected the offer and the company is not liable to pay any amount on such rejection.

9.2 No amount is required to be paid by the Grantee at the time of acceptance.

9.3 Any acceptance received after the period stated above shall not be valid.

9.4 Subject to the terms contained herein, the Grant letter in accordance with this Article shall conclude a binding contract between the Grantee and the Company, pursuant to which each Option shall, on such acceptance, be an Unvested Option.

9.5 The Grant letter to be executed with a grantee shall be subject to the terms and conditions of the Scheme.

10. Vesting of Options:

10.1 Vesting period shall commence after minimum 1 (One) year from the date of grant of Options and it may extend upto maximum of 7 (Seven) years from the date of grant, at the discretion of and in the manner prescribed by the Committee.

10.2 The vesting of Options can be either quarterly, half yearly or yearly, which will vary from Grantee to Grantee as may be decided by the Committee at the time of respective grant. Vesting of Options would be subject to continued employment with the Company.

10.3 The Committee shall have the power to modify the vesting schedule on a case to case basis subject to the minimum gap of 1 (One) year between the grant and first vesting.

10.4 The Actual vesting may further be linked to certain performance parameters ("vesting conditions") as decided by the Committee from time to time, including but not limited to:

a. Individual Performance

b. Team Performance

c. Company Performance

10.5 The options which do not get vested in the particular vesting cycle will be added rolled over to the next vesting cycle which may go upto last vesting cycle. The options which do not get vests on last vesting cycle shall lapse.

10.6 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.

10.7 The specific vesting schedule and vesting conditions subject to which vesting would

take place would be outlined in the document given to the Option Grantee at the time of Grant of Options.

10.8 Notwithstanding the foregoing, the vesting period shall not exceed the period of 7 (Seven) years from the date of Grant.

11. Exercise of Options:

11.1 The vested Options shall be exercisable either wholly or in part, according to the terms and conditions as determined and mentioned under the Scheme during the exercise period.

11.2 After vesting, the Options can be exercised through cash route under which the Grantee will receive the shares equivalent to the number of the Options exercised in accordance with the terms and conditions of the Scheme after he has made the payment of the exercise price and the applicable taxes.

11.3 The vested options shall be exercisable by the Grantees by a written application to the Company expressing his/her desire to exercise such vested options in such manner and on such form at as may be prescribed by the Committee.

11.4 Under the Scheme, the Exercise period for the vested Options shall be upto 7 (Seven) years from the date of respective vesting or such other period from the date of respective vesting as may be decided by the Committee, which will vary from Grantee to Grantee as may be decided by the Committee at the time of respective grant, but the exercise period decided by the Committee shall not exceed a period of 7 (Seven) years from the date of the respective vesting of the options.

11.5 Failure to comply within this time period shall result in lapsing of vested Options in the hands of Grantee.

11.6 Company will allot shares to the Grantees upon valid exercise of Options by them.

11.7 Upon allotment of the shares, the Grantee shall become member of the Company. The Shares to be allotted shall rank pari-passu in all respects within the then existing Equity Shares of the Company. The shares so issued on exercise of options shall be listed immediately on stock exchanges, where the equity shares of the Company are listed.

11.8 A Grantee can exercise the vested Options subject to the adherence of Insider Trading Code of Conduct of the Company.

12. Exercise Price:

12.1 Under this Scheme, the Exercise price of the Shares shall not be less that face value of the Shares and not higher than the prevailing Market Price (on Stock Exchange with highest volume) of the Shares of the Company as on the Grant Date. The Market Price of the Shares shall be one day before the date of the meeting of the Committee wherein the grants of Options will be approved by the Committee. The exercise price shall be subject to conforming to the accounting policies specified in regulation 15 of ("SEBI (SBEB&SE) Regulations").

12.2 the Exercise Price can be different for different sets of employees for options granted on the same/different dates.

12.3 Further, Committee has the power to re-price the grants in future if the Grant made under the Scheme is rendered unattractive due to the fall in the price of Shares in the Stock Market, after complying the conditions as mentioned in the SEBI (SBEB&SE) Regulations.

12.4 The aggregate Exercise Price payable at the time of Exercise shall be paid by a cheque or demand draft or any other banking channel in the name of the Company i.e. Xelpmoc Design and Tech Limited.

13. Cessation of Employment:

Subject to the employment terms of a Grantee, the following terms shall be applicable:

13.1 In the event of cessation of employment due to Death:

a) All Options granted to the Grantee as on date of death would vest in his legal heirs / nominee on that day. The Options would be exercisable by the legal heirs / nominee within a period of 9 (Nine) months from the date of death or within the exercise period whichever is later, failing which all the unexercised Options shall lapse irrevocably and the rights there under shall be extinguished.

b) All other terms and conditions of the Scheme shall apply to such Options. Provided that, in order to exercise the Options of the deceased Grantee, his legal heirs / nominee have to submit the following documents to the Company, to the satisfaction of the Committee and the Committee may its discretion waive off the requirement to submit any of the documents:

A. In case nominee is not appointed

- Copy of the Succession Certificate/Probate of Will/Letter of administration.
- No objection certificate from the other legal heirs.

- Photo copy of the death certificate duly attested by the proper authority (English translated version if in the vernacular language)
- Specimen signature of the person(s) in whose name Shares are to be transmitted (duly attested by the bank)
- Copy of PAN card of the applicant (self-attested)
- Copy of address proof (self-attested).

B. In case nominee is appointed

- Photo copy of the death certificate duly attested by the proper authority (English translated version if in the vernacular language)
- Specimen signature of the person(s) in whose name Shares are to be transmitted (duly attested by the bank)
- Copy of PAN card of the applicant (self-attested).
- Copy of address proof (self-attested)

c) An Option may be exercised by the Successor(s) of a Grantee only by written notice (in the form prescribed by the Committee) to the Company specifying the number of Shares to be purchased and payment of the Exercise Price and applicable taxes.

d) Such notice shall state that the Exercise Price has been paid in full, or that the Option will be exercised as otherwise agreed upon, in the discretion of the Company or the Committee.

13.2 In the event of cessation of employment due to Permanent Disability:

All Options granted to the Grantee as on date of Permanent Disability would vest in him/her on that day. The Options would be exercisable within a period of 6 (Six) months from the date of permanent disability or within the exercise period whichever is later, failing which all the unexercised Options shall lapse irrevocably and the rights there under shall be extinguished.

13.3 In the event of Resignation or termination not due to misconduct or ethical/ compliance violations:

a) All Unvested Options, on the date of exit, shall expire and stand terminated with effect from that date unless otherwise determined by the Committee whose decision will be final and binding.

b) All Vested Options as on that date shall be exercisable by the Grantee by last day of employment in the organisation or before expiry of exercise period, whichever is earlier. The vested Options not so exercised shall lapse

irrevocably and the rights there under shall be extinguished.

13.4 In the event of separation from employment due to Retirement/Superannuation:

a) All Vested Options as on that date shall be exercisable by the Grantee by last day of employment in the organisation or before expiry of exercise period, whichever is earlier. The vested Options not so exercised shall lapse irrevocably and the rights there under shall be extinguished.

b) All Unvested Options will get lapsed.

13.5 In the event of Termination of the Employment:

If a Grantee is terminated due to misconduct or ethical/ compliance violations, all Options granted whether vested or not shall stand terminated with immediate effect unless otherwise determined by the Committee, whose determination will be final and binding.

13.6 In the event that a Grantee who has been granted benefits under this Scheme is **transferred or deputed to an associate / subsidiary company** prior to vesting or exercise, the vesting and exercise as per the terms of grant shall continue in case of such transferred or deputed Grantee even after the transferor deputation.

13.7 In the event of a Grantee going on **Long Leave**, i.e. absence from the office for more than three months, the treatment of Options granted to him/her, whether vested or not, shall be determined by the Committee, whose decision shall be final & binding.

13.8 In the event where a **Dispute arises between Grantee and the Company,** vesting and exercise of Options will be put on hold till the date of settlement, to the satisfaction of the Committee.

13.9 The Compensation Committee may modify the terms for cessation of employment as mentioned in foregoing paras 13.1 to 13.8.

14. Lock in Requirements and Exit Opportunity to Grantee‘s:

14.1 The Shares issued upon exercise of the Options shall be freely transferable and shall not be subject to any lock-in period restrictions, subject to such restrictions as may be prescribed under Applicable Laws.

15. Terms and Conditions of Shares:

15.1 Nothing herein is intended to or shall give the Grantee, any right to status of any kind as a shareholder of the Company in respect of any share covered by the grant unless the Grantee exercises the Options and becomes the registered shareholder of the Company. Accordingly, the Grantee shall not have right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of option granted to him, till shares are issued and allotted upon exercise of option".

15.2 The 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.

15.3 The Grantee shall abide by the Company's 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 under SEBI (Prohibition of Insider Trading) Regulations, 2015.

16. Notices and correspondence:

16.1 Any notice required to be given by the Grantee to the Company or the Committee or any correspondence to be made between the Grantee and the Company or the Committee may be given or made to the Company/ Committee at the corporate office or registered office of the Company or at the place as may be notified by the Company/ Committee in writing or at the specific designated email id of the Company.

16.2 Any notice, required to be given by the Company or the Committee to the Grantee or any correspondence to be made between the Company or the Committee and the Grantee shall be given or made by the Company or the Committee on behalf of the Company at the address provided by the Grantee while accepting the option granted to him or at the official email Id of the Grantee.

17. Nomination of Beneficiary:

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

18. Corporate Action:

18.1 Except as hereinafter provided, any grant made shall be subject to adjustment, by the Committee, at its discretion, as to the number and price of Options or Shares, as the case may be, in the event of 'Corporate Action' as defined herein.

18.2 If there is a 'Corporate Action' of the Company before the Options granted under this Scheme are exercised, the Grantee shall be entitled on Exercise of the Options, to such number of Resultant Shares to which he would have been entitled as if all of the then outstanding Options exercised by him, had been exercised before such 'Corporate Action' had taken place and the rights under the Options shall stand correspondingly adjusted.

18.3 The Committee to make fair and reasonable adjustments to the number of Options and/or the exercise price and/or number of equity shares arising on exercise, in the event of any corporate action including but not limited to rights issues, bonus issues, merger, demerger, re-organisation, buy-back or such other similar events, and that the cumulative Equity Shares allotted upon such adjustment may exceed the ceiling of total number of Options and Equity Shares specified above shall be deemed to be increased to the extent such excess represents a fair and reasonable adjustment;

18.4 In case the Share of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the eligible employees, if any, under the Scheme shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per Share shall bear to the revised face value of the Share of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said eligible employees/grantees;

18.5 In the event of severance of employment of a Grantee, as a part of reconstitution / amalgamation / sell-off or otherwise, the Options granted and not exercised before such reconstitution / amalgamation / sell-off, shall be exercised as per the terms and conditions determined by the Committee at that time.

18.6 In the event of a dissolution or liquidation of the Company, any vested Options outstanding under the Scheme shall be cancelled if not exercised prior to such event and no compensation shall be payable in respect of the Options so cancelled.

18.7 In the event of a merger / reverse merger, the treatment of vested as well as unvested Options will be decided by the Committee, whose decision shall be final and binding.

18.8 In the event of demerger of the Company, the respective Committees of the Resulting & the De-merged Company will take the decision regarding the time period for the exercise of the vested Options and the treatment of unvested Options.

19. Recovery of applicable taxes:

19.1 All Options granted/ shares allotted under the Scheme shall be subject to all applicable taxes, if any, and the Company may recover such taxes accordingly from the Grantee.

19.2 Grantee shall pay all tax and discharge all other liabilities to which he may become subject to as are result of his participation in this Scheme or exercise of Options.

19.3 The payment of applicable taxes, in respect of exercise of the Options shall be made by the Grantee to the Company, as the Committee, may prescribe, at the time of Exercise. However the Company has the right to recover tax from the Grantee, by deducting the respective amount of tax from Grantee's salary.

20. Disclosure and Accounting Policies:

20.1 The Company. shall comply with the relevant Accounting Standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 and any Guidance Note on Accounting for employee share-based payment issued in that regard, from time to time including disclosure requirement therein, in compliance with regulation 15 of SEBI (SBEB&SE) Regulations

The Company shall use Fair value method and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.

20.2 Compensation cost will be booked in the books of account of the Company over the vesting period. Compensation cost will be equivalent to the fair value of the Options as on grant date.

21. Taxability on the Grantee:

21.1 The exercisable Options shall be subject to the applicable Income tax laws.

21.2 All taxes, whether domestic or foreign, arising out of the Option will be borne by Grantee.

21.3 If Grantee is required to take any permission of any statutory authority now or at any other point of time, domestic or foreign, under any present or future laws, the Scheme will be subject to the Grantee getting all such approvals and the conditions imposed in granting such approvals. The Company will try to facilitate Grantee in getting such

approvals, but will not be obligated to do so.

22. Surrender of Options:

22.1 Any Grantee to whom the Options are granted under this Scheme, may at any time, surrender his Options to the management. In such case the company would not be liable to pay any compensation to the Grantee on account of his surrender of Options. The Options so surrendered by the Grantee will be added back to the pool of ungranted Options and pursuant to this the Grantee shall cease to have all rights and obligations over such Options.

23. Arbitration:

23.1 In the event of a dispute arising out of or in relation to the provisions of this Scheme (including a dispute relating to the construction or performance thereof), the relevant parties shall attempt in the first instance to resolve such dispute through an amicable settlement. The attempt to bring about an amicable settlement shall be considered to have failed as soon as one of the parties hereto, after reasonable attempts, which attempt shall continue for not more than 30 days, gives 10 days' notice thereof to the other party in writing.

23.2 In case of such failure, either party may refer the dispute to a single arbitrator to be appointed by Managing Director or CEO of the Company. The arbitration proceedings shall be held in Bangalore, Karnataka, India under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof. The arbitrator shall give a reasoned award in writing. The arbitrator shall also decide on the costs of the arbitration proceedings. The parties shall submit to the arbitrator's award and the award shall be enforceable in competent court of law at Bangalore, Karnataka, India.

24. Governing Law:

24.1 This Scheme and all related documents there under shall be governed by and construed in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other Applicable laws of India.

24.2 Any term of the Scheme that is contrary to the requirement of the SEBI Guidelines or any other Applicable Law or other Indian Regulations shall not apply to the extent it is contrary.

24.3 The Courts at Bangalore, Karnataka shall have exclusive jurisdiction on any matter arising out of this Scheme.

25. Regulatory Approvals:

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

26. Modification of Scheme:

26.1 The Committee may, at any time:

- Revoke, add to, alter, amend or vary all or any of the terms and conditions of the Scheme or all or any of the rights and obligations of the Grantee, subject to the applicable laws.

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

27. Term of the Scheme:

27.1 Except as provided elsewhere specifically, the Scheme shall continue in effect unless terminated by the Board or the Committee or until all Options available to be granted under the Scheme are fully exercised.

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

28. Forbidden to Exercise by any Law:

28.1 If the Exercise of Options within the Exercise Period is prevented by any law or regulation in force and the Grantee is forbidden to exercise the Options under such law or regulation, then in such an event the Company shall not be liable to compensate the Grantee in any manner.

29. Confidentiality:

1.1 Notwithstanding anything contained in this Scheme, the Grantee shall not divulge the details of the Scheme and/or his holdings to any person except with the prior written permission of the Committee unless so required to do under the Applicable laws or any statutes or regulations applicable to such Grantee.

For and on behalf of Board of Directors

Mrs. Vaishali Shetty
Company Secretary & Compliance Officer