



Jubilant Agri and Consumer Products Limited

JACPL Employees Stock Option Scheme 2013

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1. Name of the Scheme

This employees stock option scheme of Jubilant Agri and Consumer Products Limited ("Company") shall be termed as the JACPL Employees Stock Option Scheme 2013 ("Scheme"). The Scheme was adopted pursuant to clause 5.3 of Part C of Composite Scheme of Arrangement amongst HSSS Investment Holding Private Limited ('Amalgamating Company 1'), KBHB Investment Holding Private Limited ('Amalgamating Company 2'), SSBPB Investment Holding Private Limited ('Amalgamating Company 3') ("Amalgamating Companies") and Jubilant Industries Limited ("JIL") and Jubilant Agri and Consumer Products Limited ('Amalgamated Company'), as approved by the Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench, on August 07, 2024.

2. Purpose of the Scheme

The Company (*as defined below*) has structured the Scheme for the Eligible Employees (*as defined below*). The purpose of this Scheme is to attract, reward and motivate the Employees for high levels of individual performance and for unusual efforts to improve the financial performance of the Company, which will ultimately contribute to the success of the Company as well as to retain the Employees. The Scheme will enable the Employees to participate in the long term growth of the Company. This purpose is sought to be achieved through the Grant (*as defined below*) of Options (*as defined below*) to the Eligible Employees to acquire the Shares (*as defined below*) in the Company.

3. Definitions

In this Scheme, except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against. The terms not defined in this Scheme shall have the meanings as defined in the Act read with the Rules framed thereunder, as amended, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI ESOP Regulations**"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**"), other relevant regulations and circulars issued by the Securities and Exchange Board of India ("**SEBI**"), the Foreign Exchange Management Act, 1999 (the "**FEMA**") and rules, regulations, press notes and circulars issued thereunder as the case may be, including in each case any alterations, amendments, additions, deletions, modifications or variations or re-enactments thereof, from time to time.

- 3.1 "**Acceptance Form**" shall mean the form, as may be prescribed by the Committee from time to time, in which the Grantee has to submit his/her acceptance of the offer made to him/her to participate in the Scheme.
- 3.2 "**Act**" shall mean the Companies Act, 2013 and shall include any alterations, amendments, additions, deletions, modifications, re-enactment or variations thereof, from time to time.
- 3.3 "**Applicable Laws**" shall mean all applicable laws, bye-laws, statutes, rules, regulations, orders, ordinances, notifications, protocols, treaties, codes, guidelines, policies, notices, directions, writs, injunctions, judgments, decrees or official directive of any court of competent authority or of any competent Governmental authority or person acting under the authority of any court of competent authority or of any competent Governmental authority of the Republic of India, as amended and modified from time to time, and includes regulations, rules, circulars and/or guidelines issued by SEBI.
- 3.4 "**Beneficiary**" shall mean the person, persons, trust or trusts designated by the Participant or in the absence of any designation by the Participant, a person or persons who is/ are entitled by the will of the Participant to receive the benefits specified in the Scheme, the legal heirs of the Participant, if the Participant dies intestate and includes the Participant'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 form in the exercise of any powers conferred under the Scheme or any other agreements forming part thereof.
- 3.5 "**Board**" shall mean the Board of Directors of the Company.
- 3.6 "**Business Day**" shall mean a day (other than a Sunday) on which the Company is open for business;
- 3.7 "**Cause**" shall mean negligence, fraud, professional misconduct, breach of trust, moral turpitude, committing or abetting any illegal activity, violating any Company's policy or terms of employment with the Company or any other applicable code of conduct of the Company, absence from office for a substantial period of time without any valid reason or authority, or any other actions or circumstances of similar nature as may be decided by the Committee in its absolute discretion.
- 3.8 "**Closing Date**" shall mean the last Business Day on which, the offer of Options by the Company to a Participant, may be accepted by the Participant .
- 3.9 "**Committee**" shall mean the 'Nomination Remuneration Committee' of the Board constituted by the Board, in accordance with the Act, SEBI ESOP Regulations and/or Applicable Laws, for administration and superintendence of this Scheme pursuant to Clause 5 of the Scheme.

- 3.10 **"Company"** shall mean Jubilant Agri and Consumer Products Limited, a company limited by shares, incorporated under the Act and having its registered office at Bhartiagram, Gajraula, District Amroha - 244 223, Uttar Pradesh, India.
- 3.11 **"Corporate Action"** shall have meaning as understood under the SEBI ESOP Regulations.
- 3.12 **"Eligible Employee"** shall have the same meaning as ascribed to it in Clause 4.1 of the Scheme.
- 3.13 **"Employee"** shall have the meaning given to the term under the SEBI ESOP Regulations.
- 3.14 **"Employee Compensation"** shall have the same meaning as ascribed to it under the SEBI ESOP Regulations.
- 3.15 **"Exercise"** shall mean making of an application by the Participant to the Company and/or the Trust for issue/ transfer of Shares against the Vested Options held by such Participant in pursuance of this Scheme and payment of the Exercise Price plus applicable taxes, if any, as per the terms of Scheme.
- 3.16 **"Exercise Date"** shall mean the date on which the Participant exercises his Vested Options and in case of partial exercise, means each date on which the Participant exercises part of his Vested Options.
- 3.17 **"Exercise Period"** in relation to a Vested Option, shall mean the time period within which the Participant may apply for Exercise of such Vested Options, which shall be a period of 8 (eight) years from the Grant Date or as may be decided by the Committee from time to time, subject to compliance with the Applicable Laws.
- 3.18 **"Exercise Price"** shall mean the price payable by the Participant for exercising each Option Granted to the Participant in pursuance of the Scheme, in accordance with Clause 10, and which price shall be communicated to the Participant in the Grant Letter.
- 3.19 **"Fair Value"** shall have the same meaning as ascribed to it under the 'Guidance Note on Accounting for employee share-based Payments' or accounting standards as may be prescribed by the Institute of Chartered Accountants of India ("ICAI") from time to time as per Regulation 15 of the SEBI ESOP Regulations.
- 3.20 **"FEMA Regulations"** shall mean Foreign Exchange Management Act and the rules, regulations, press notes and circulars issued thereunder and shall include any alterations, amendments, additions, deletions, modifications, or variations thereof, from time to time.
- 3.21 **"General Meeting"** shall mean a general meeting (including extraordinary general meeting) of the Shareholders of the Company held in accordance with the articles of association of the Company and Act.
- 3.22 **"Grant"** shall mean the process by which a Grantee is given an Option on basis of his performance and fulfillment of the criteria decided by the Committee pursuant to this Scheme.
- 3.23 **"Grant Date"** shall mean the date on which the Options are Granted to a Grantee by the Company under the Scheme.
- 3.24 **"Grant Letter"** shall mean the letter by which Grant of an Option is communicated to the Grantee and setting out matters incidental and ancillary thereto.
- 3.25 **"Grantee"** shall mean an Eligible Employee selected by the Committee in terms of the Scheme for the Grant of Options under the Scheme.
- 3.26 **"Group"** shall mean existing and/or future Subsidiary Company(ies) and/or Holding Company(ies) of the Company.
- 3.27 **"Holding Company(s)"** shall have the same meaning as ascribed to it under the Act.
- 3.28 **"Intrinsic Value"** shall have the same meaning as ascribed to it under the 'Guidance Note on Accounting for employee share-based Payments' or accounting standards as may be prescribed by the ICAI from time to time as per Regulation 15 of the SEBI ESOP Regulations.
- 3.29 **"Market Price"** shall mean the latest available closing price of the Shares, prior to the date of meeting of the Board/ the Committee in which Options are Granted / Shares are issued, on the stock exchange on which the Shares of the Company are listed. If, on the date of such meeting of the Board/the Committee, the Shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume of the Shares of the Company on the said date shall be considered for the purpose of calculation of the market price of the Shares of the Company. This definition of the 'Market Price' reflects the extant provisions of the SEBI ESOP Regulations and therefore term 'Market Price' under this Scheme shall mean and include the term 'Market Price' as amended and defined, from time to time, under the SEBI ESOP Regulations.
- 3.30 **"Option"** shall mean a right, but not an obligation granted to the Participant pursuant to this Scheme to acquire and be allotted/ transferred Shares of the Company at the Exercise Price determined in accordance with Clause 10 during the Exercise Period subject to terms and conditions of Vesting and upon such terms and conditions as may be specified in the Scheme and as may be determined by the Committee.
- 3.31 **"Participant"** shall mean a Grantee who accepts an offer from the Company to participate in the Scheme pursuant to Clause 8 of this Scheme.
- 3.32 **"Permanent Incapacity"** shall mean any disability of whatsoever nature be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Committee based on a certificate of a medical expert identified by the Committee.
- 3.33 **"Promoter"** shall have the same meaning as ascribed to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018
- 3.34 **"Promoter Group"** shall have the same meaning as ascribed to it under the SEBI (Issue of Capital and Disclosure

Requirements) Regulations, 2018 .

- 3.35 **“Relative”** shall have the same meaning as ascribed to it under the Act.
- 3.36 **“Scheme”** shall mean the JACPL Employees Stock Option Scheme 2013 and shall include any alterations, amendments, additions, deletions, modifications or variations thereof from time to time.
- 3.37 **“SEBI”** shall mean Securities and Exchange Board of India constituted in terms of Securities and Exchange Board of India Act, 1992 and includes any alterations, amendments, additions, deletions, modifications or variations thereof from time to time.
- 3.38 **“SEBI ESOP Regulations”** shall mean the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity), Regulations, 2021 issued by the Securities and Exchange Board of India under the Securities and Exchange Board of India Act, 1992 and includes any alterations, amendments, additions, deletions, modifications or variations thereof from time to time.
- 3.39 **“Secondary Acquisition”** . means acquisition of existing shares of the company by the Trust on the platform of a recognized stock exchange for cash consideration.
- 3.40 **“Share”** shall mean an equity share of the Company having a face value of `10/- (Rupees Ten) each.
- 3.41 **“Shareholder”** shall mean the registered or beneficial holder of a Share in the share capital of the Company.
- 3.42 **“Subsidiary Company”** shall have the same meaning as ascribed to it under the Act.
- 3.43 **“Termination Date”** shall mean the date of termination (being the last Business Day) of employment of the Participant with the Company or the Group, as the case may be.
- 3.44 **“Trust”** shall mean a private trust established under the provisions of the Indian Trust Act, 1882, including any statutory modification or re-enactment thereof as may be constituted by the Company for the purposes of subscription of Shares from the Company and to acquire the Shares of the Company by Secondary Acquisition for the purpose of Scheme as permitted under the SEBI ESOP Regulations for holding and transferring of the Shares to the Participants in the manner specified in the Trust Deed and the Scheme or for any other acts as specified in the Trust Deed.
- 3.45 **“Trust Deed”** shall mean the deed of private trust as may be executed between the Company and the trustee(s), as modified from time to time, for creation of the Trust for the welfare of the Employees with the objective of subscription of Shares from the Company and to acquire the Shares of the Company by Secondary Acquisition for the purpose of Scheme as permitted under the SEBI ESOP Regulations for holding and transferring of Shares to the Participants in the manner specified in the Trust Deed and the Scheme or for any other act, as specified in the Trust Deed.
- 3.46 **“Unvested Option”** shall mean an Option, which is not a Vested Option.
- 3.47 **“Vested Option”** shall mean an Option, which has been vested with the Participant as per Clause 9 or Clause 13; and pursuant to the same, such Options may be exercisable by the Participant.
- 3.48 **“Vesting”** shall mean the process by which the Participant is given the right to apply for Shares against the Option Granted to the Participant in pursuance of the Scheme.
- 3.49 **“Vesting Period”** shall mean the period during which the Vesting of the Option Granted to the Participant shall take place in terms of the Scheme.
- 3.50 **“Vesting Schedule”** shall mean the following schedule of Vesting of the Options Granted to the Participant under the Scheme:
- First 20% (twenty percent) of the total Options Granted shall vest on the 1st (first) anniversary of the Grant Date;
 - Subsequent 30% (thirty percent) of the total Options Granted shall vest on the 2nd (second) anniversary of the Grant Date; and
 - Balance 50% (fifty percent) of the total Options Granted shall vest on the 3rd (third) anniversary of the Grant Date.
- 3.51 **Construction**
- The headings, sub-headings, titles and sub-titles are only for the sake of convenience and shall not be interpreted to restrict or otherwise affect the meaning or import of the Articles, which shall be interpreted solely in light of the contents thereof.
 - Unless the context of this Scheme otherwise requires:
 - words denoting the masculine gender shall include the feminine gender and words denoting the singular shall include the plural and vice versa;
 - words of any gender are deemed to include the other gender; and
 - reference to the term ‘including’ shall mean ‘including without limitation’, unless otherwise specified.
 - Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
 - Any reference to ‘writing’ includes printing, typing, lithography and other means of reproducing words in visible form.
 - The provisions of the Scheme shall also be applicable to the Eligible Employees of the Group. Accordingly, any reference to the term “Company”, “Employee” and “Participant” under the Scheme shall, unless the context otherwise requires, also mean to refer the Group, their Eligible Employees and Participant, respectively.

4. Eligibility

- 4.1 Subject to Clause 4.3 below, the following persons and classes of persons shall be entitled to participate in the Scheme ("**Eligible Employees**"):
- a) An Employee of the Company as may from time to time be allowed under applicable laws and as may be decided by the Committee, , who is exclusively working in India or outside of India;
 - b) A Director of the Company, including Whole-time Director(s), Managing Director(s) of the Company, as the case may be, but not an independent director;
 - c) Employees/Directors as enumerated in sub clauses (a) and/or (b) above, of the Group, in India or outside India; and
 - d) Such other persons, as may from time to time be allowed under Applicable Laws and as may be decided by the Committee.
- 4.2 The Committee, based on parameters evolved and decided by it in its absolute discretion, from time to time, shall decide the Eligible Employees who should be granted Options under the Scheme and accordingly, the Company shall offer the Options to such Eligible Employees.
- 4.3 An Employee who:
- (i) is a Promoter; or
 - (ii) belongs to the Promoter Group; or
 - (iii) is a director, who either by himself or through his Relative or through any body corporate, directly or indirectly, holds more than 10% (ten percent) of the outstanding Shares of the Company, shall not be eligible to participate in the Scheme.
- 4.4 To be eligible under the Scheme, a nominee director will be required to fulfill the Conditions provided for in SEBI ESOP Regulations, from time to time.

5. Administration of the Scheme

- 5.1 Subject to Applicable Laws, the Scheme shall be administered by the Committee, which may delegate its duties and powers, in whole or in part, at its absolute discretion. In case of Secondary Acquisition, the Committee shall delegate the administration of the Scheme to the Trust. The Committee is authorised to interpret the Scheme, to establish, amend and rescind any rules and regulations relating to the Scheme and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Scheme. The Committee may correct any defect, omission or reconcile any inconsistency in the Scheme in the manner and to the extent the Committee deems necessary or desirable. Any decision of the Committee in the interpretation and administration of the Scheme, as described herein, shall lie within its absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Grantee and/ or Participants and their Beneficiaries or successors). The Committee shall in accordance with this Scheme and Applicable Laws, determine the detailed terms and conditions of the Scheme and shall *inter-alia*, in its absolute discretion, do the following:
- a) adopt rules, regulations and policies for implementing the Scheme and amending, altering, modifying or rescinding the same from time to time. All Employees participating in the Scheme shall automatically be bound by such rules, regulations and policies adopted and/or amended by the Committee;
 - b) identify the Employees eligible to participate under the Scheme;
 - c) determine the criteria to Grant the Options to the identified Eligible Employees and determine the Grant Date;
 - d) determine the number and timing of Options to be granted to each Grantee and in aggregate, subject to the ceiling specified in Clause 6;
 - e) determine the terms and conditions including price for exercising the Vested Options and lock-in period, if any;
 - f) determine the terms and conditions, not inconsistent with the terms of the Scheme, of any Option Granted hereunder;
 - g) approve the forms or agreements for use under the Scheme;
 - h) determine the Vesting criteria and the Vesting Schedule with respect to Options Granted to the identified Eligible Employees;
 - i) determine whether or not the Options Vested in a Participant should lapse in the event of any Cause in relation to that Participant, as determined by the Committee in its absolute discretion;
 - j) determine the conditions under which Options Vested in a Participant may lapse in case of termination of employment for Cause;
 - k) determine the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of a corporate action such as rights issues, bonus issues, merger, stock split, consolidation, sale of division, etc,

in accordance with the SEBI ESOP Regulations;

- l) determine the terms and conditions for the grant, vesting and exercise of Options for the Employees who are on long leave;
 - m) determine the procedure for cashless exercise of Options, if required;
 - n) determine the right of a Participant to exercise all the Options Vested in such Participant at one time or multiple times within the Exercise Period;
 - o) determine the conditions in which Vested Options or Unvested Options or Options exercised may be withdrawn or reduced;
 - p) determine the Exercise Period within which the Participant should exercise the Vested Options, otherwise the Vested Options shall lapse on the failure to Exercise the Vested Options within the Exercise Period;
 - q) determine the time period within which the Participant shall exercise the Vested Options, in the event of termination of the employment or office by the Company/Group; or resignation by the Participant from the position held in the Company/Group;
 - r) determine the number of Shares of the Company to be covered by each Options Granted under the Scheme;
 - s) determine the treatment of the Options held by a Participant in case of suspension of services or in case of any inquiry for a Cause in relation to that Participant;
 - t) arrange to get the Shares issued and/or transferred under the Scheme, listed on the stock exchanges on which the Shares of the Company are listed;
 - u) construe and interpret the terms of the Scheme and the Options Granted pursuant to the Scheme;
 - v) frame suitable policies, procedures and systems to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities market) Regulations, 2003 as amended to be followed by the Participants;
 - w) determine the method of valuation to determine the value of the Options whether Fair Value or the Intrinsic Value in accordance with the SEBI ESOP Regulations;
 - x) authorize Secondary Acquisition through trust or issue of new Shares subject to necessary approvals in accordance with all applicable laws and regulations.
- aa) delegate the administration of scheme to the Trust, if any, and supervise it and resolve any issue that arises in the administration of the Scheme through the Trust(s), if any, and to direct the trustee(s) as and when required for smooth and proper administration of the Scheme, as per Applicable laws;
- bb) Determine the procedure for buy-back of specified securities issued under this scheme, if to be undertaken at any time by the company, and the applicable terms and conditions, including:
- (i) permissible sources of financing for buy-back;
 - (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and
 - (iii) limits upon quantum of specified securities that the company may buy-back in a financial year.
- cc) ensure that in the event where an employee who has been granted benefits under this scheme, is transferred pursuant to a scheme of arrangement, amalgamation, merger or demerger, the treatment of such Options should not be prejudicial to the interest of the employee and shall be mentioned in the terms of the scheme of arrangement, amalgamation, merger or demerger as the case may be.
- dd) formulate various and/or separate sets of special terms and conditions to apply to specific class or category of Participants separately to the exclusion of other Participants; and
- ee) perform such other functions and duties as shall be required under the Applicable Laws.
- 5.2 All decisions made by the Committee in the matters referred to above shall be conclusive and binding on all parties concerned (including but not limited to, Grantee and/ or Participants and their Beneficiaries and/or successors). Neither the Company nor the Committee nor any official(s) of the Company or the trustee/the Trust shall be liable for any action or determination made in good faith with respect to the Scheme or any Option Granted thereunder.
- 5.3 The number of members of the Committee and their powers and functions can be specified, varied, altered or modified from time to time by the Board, subject to the provisions of Applicable Laws.

6. Shares Pool

- 6.1 Subject to Clause 17 below, the maximum number of Shares that may be issued pursuant to exercise of all Options Granted to the Participants under this Scheme shall not exceed 590,000 (Five Hundred and Ninety Thousand Only) Shares which is equivalent to 590,000 (Five Hundred and Ninety Thousand Only) Options. . The Company reserves the right to increase

or reduce such number of Shares as it deems fit, in accordance with Applicable Laws.

- 6.2 Notwithstanding the foregoing provisions of Clause 6.1 of the Scheme, the Options not Vested due to non-fulfillment of the stipulated conditions, Vested Options not exercised within the Exercise Period or the period specified in Clause 13 (as applicable) and any Options Granted but not Vested or Exercised within the stipulated time due to any reasons, shall, unless otherwise determined by the Committee, lapse and these the Committee may Grant such Options to any other Eligible Employee(s) as it may deem fit in its absolute discretion.

7. Grant of Options

- 7.1 The Committee may offer the Options to a Grantee in accordance with the terms and conditions of the Scheme and based upon the performance of the Participant or criteria as decided by the Committee, from time to time.
- 7.2 Each Option shall entitle the Participant, upon its Exercise, to one Share of the Company.
- 7.3 Subject to Clause 17 below, the maximum number of Options and consequent shares that may be issued and/or transferred pursuant to the Exercise of the Options to each Participant under this Scheme shall not exceed 1,00,000 (One Hundred Thousand Only) during any 1(one) financial year; and 300,000 (Three Hundred Thousand Only), in aggregate, subject to applicable laws and other terms and conditions of the scheme. Further, the face value of the Shares to be allotted/ transferred to the non-resident Eligible Employees shall not exceed the limits provided in FEMA Regulation.
- 7.4 The Grant of the Options by the Committee to the Grantee shall be made in writing and communicated to the Grantee by way of a Grant Letter. Such a Grant Letter shall state:
- a) the number of Options offered;
 - b) the Exercise Price;
 - c) the Vesting Schedule;
 - d) the last date before which the Options offered may be accepted;
 - e) the conditions of Vesting; and
 - f) the terms and conditions of the Grant, including the lock-in conditions, if any.

The Grantee shall along with the Grant Letter be also furnished with the disclosures prescribed under the SEBI ESOP Regulations including the Statement of Risks, the Information about the Company and the salient features of the Scheme.

- 7.5 The Closing Date shall not be more than 120 (one hundred and twenty) calendar days from the Grant Date.
- 7.6 An offer of the Option made under Clause 7.1 above cannot be transferred or assigned to any other person, in any manner whatsoever.

8. Method of Acceptance

- 8.1 If a Grantee opts to accept an offer of Options, made pursuant to Clause 7, shall deliver duly filled and completed Acceptance Form to the Committee, on or before the Closing Date as stated in the Grant Letter.
- 8.2 Unless the Committee determines otherwise, on failure of the Grantee to return the duly filled and completed Acceptance Form on or before the Closing Date, the Grantee shall be deemed to have rejected the offer of the Options.
- 8.3 Upon receipt of a duly completed Acceptance Form from the Grantee in respect of the Grant, the Grantee shall become a Participant.
- 8.4 The Options that are not accepted by the Grantee in accordance with this Clause 8 may be available for Grant by the Committee to any other Eligible Employee(s) as it may deem fit in its absolute discretion, in accordance with this Scheme.

9. Vesting of Options

- 9.1 Subject to the terms contained herein, the acceptance in accordance with Clause 8, of a Grant made to a Grantee, shall conclude a contract between the Grantee and the Company, pursuant to which each Option shall, on such acceptance, be an Unvested Option.
- 9.2 Options Granted under this Scheme shall Vest not earlier than one year from the date of Grant of such Options. Vesting of Options shall be subject to achievement of performance criteria or any other criteria as specified by the Committee and communicated in the Grant Letter to the Participant.
- 9.3 Subject to Participant's continued employment with the Company or Group, as the case may be and Clause 13, the Unvested Options shall vest with the Participant as per the Vesting Schedule. It is clarified that a Participant shall continue to have all rights and benefits under the Scheme, if such Participant is transferred from the Company to the Group; or *vice-versa*.
- 9.4 In case of termination of employment of a Participant with the Company or the Group, the Vesting Period and Exercise Period shall be governed by Clause 13.1 to 13.5 of this Scheme.
- 9.5 The Committee may at its absolute discretion alter or change or vary the Vesting Schedule, Vesting criteria and/or Vesting conditions and may intimate about the same to the Participant. The Committee may also provide for lock-in provisions and accelerated vesting provisions.
- 9.6 Notwithstanding anything contained in this Scheme, the Committee may not vest any of the Options already Granted to the Participant or vest such lesser number of Options already Granted to the Participant, in the event it is found that such Participant has not met the performance criteria as mentioned in the Grant Letter or if there is any Cause in relation to such Participant.

- 9.7 In case the Participant complies with all the pre-Vesting conditions, an authorised official of the Company shall issue a letter to such Participant intimating the number of Options Vested in such Participant.

10. Exercise Price and Mode of Payment

- 10.1 The Exercise Price of the Option shall be determined by the Committee, in accordance with the applicable laws.
- 10.2 The aggregate Exercise Price shall be paid in full upon the exercise of the Vested Options. Payment must be made by one of the following methods:
- (a) Cheque, banker's cheque or demand draft;
 - (b) Remittance directly from the Grantee's bank to the bank account of the Trust and/or Company (wire transfer);
 - (c) The proceeds of a loan program, if permitted by the Company at its discretion on such terms and conditions as may be provided;
 - (d) Any combination of such methods of payment or any other method as may be acceptable to the Committee at its absolute discretion.

The payment of the Exercise Price and applicable taxes, if any, in respect of Exercise of the Options shall be made by the Participant to the Company and/or the Trust, as the Committee or the Company, may prescribe, at the time of the Exercise.

11. Exercise of Options

- 11.1 The Vested Options shall be exercisable within the Exercise Period as per the terms and conditions as determined by the Committee and set forth under the Scheme.
- 11.2 Subject to Clause 13.1, the Participant alone shall be eligible to Exercise the Vested Options.
- 11.3 Subject to Clauses 9 and 13, the Participant may exercise the Vested Options within the Exercise Period in one or more tranches, however, no fraction of a Vested Option shall be exercisable by the Participant.
- 11.4 Exercise of the Options shall take place at such time, place and manner, as may be prescribed by the Committee and by executing such documents as may be required under the Applicable Laws to transfer a valid title of the Shares to the Participant, free and clear of any liens, encumbrances and transfer restrictions, save and except as provided under the Scheme.
- 11.5 An Option shall be deemed to be exercised by the Participant only on receipt, by the Committee and/or the Trust, as the case may be, of the written or electronic notice of Exercise along with requisite details (in prescribed form) and the Exercise Price along with applicable taxes, if any, from the Participant entitled to exercise the Option.
- 11.6 On Exercise, the Participant may subscribe to or acquire the Shares on full payment of the Exercise Price and applicable taxes, if any, required to be deducted/collected by the Company in respect of exercise of the Options, and the Company and/or the Trust shall allot and/or transfer the Shares to the Participant. Subsequent to allotment and/or transfer of the Shares by the Company and/or the Trust, no Participant shall sell or otherwise transfer the Shares until there is a confirmation from the Company that the listing procedures with respect to allotted and/or transferred Shares have been completed.
- 11.7 Notwithstanding anything else contained in this Scheme, if the Participant does not Exercise his/her Vested Options within the time specified in Clause 11.3 and 13 of the Scheme, such Vested Options shall stand lapsed.

12. Allotment/ Transfer of Shares

- 12.1 Upon completion of a valid Exercise of Vested Options as set out in Clause 11, the Company and/or the Trust shall make an allotment and/or transfer of Shares to the Participant either directly by the Company or by way of transfer through the Trust or under any other mechanism as may be permissible under the Applicable Laws.
- 12.2 For the purpose of allotment and/or transfer of the Shares to the Participant through the Trust, the Trust shall subscribe to the Shares from the Company or undertake Secondary Acquisition and thereafter, *inter-alia*, utilize such Shares for the purpose of providing them to the Participants upon Exercise of the Options under the Scheme. For the purpose of subscription of the Shares by the Trust and to acquire the Shares of the Company by way of Secondary Acquisition for the purpose of Scheme as permitted under the SEBI ESOP Regulations, the Trust may be funded by the Company, by way of a loan or any other form of financial assistance as may be permissible under the Applicable Laws. Further, the Trust may take loan or financial assistance from banks or any other source in compliance of the Applicable Laws.
- 12.3 The Trust shall transfer the Shares to Participants in the manner specified in the Trust Deed. The trustee(s) of the Trust shall administer the transfer of Shares to the Participant as per the directions of the Committee/ Company and as stipulated in the Scheme.
- 12.4 Upon allotment and/or transfer of the Shares, the Participants shall become members of the Company. The Shares as may be allotted and/or transferred to the Participant shall rank *pari-passu* in all respects with the then existing Shares of the Company.
- 12.5 At the time of allotment and/or transfer of Shares pursuant to a valid Exercise, the Participant shall sign such document(s) as may be considered necessary by the Trust/ Committee/ Company to lawfully execute/ enforce various provisions of the Scheme.

13. Termination of Employment

13.1 On Death of a Participant

In the event of death of a Participant while in the employment of the Company or the Group, all the Options Granted to such deceased Participant till the date of demise of such Participant and lying unvested shall Vest in the Beneficiary of the deceased Participant on that day. All the Vested Options shall be permitted to be exercised by the Beneficiary within 1 (one) year from the date of death of the Participant or before the expiry of the Exercise Period, whichever is earlier. The Committee may in its absolute discretion permit the exercise of the Options beyond the said period. Subject to the provisions of this Clause, this Scheme shall apply *mutatis mutandis* to Exercise of Options by the Beneficiary and allotment and/or transfer of Shares to the Beneficiary. Any Vested Option not exercised within this aforesaid period shall lapse and stand forfeited at the end of the aforesaid period.

13.2 On Disability of Participant

In the event of the termination of a Participant's employment with the Company or the Group, as a result of a Permanent Incapacity, all the Options Granted to him till the date of occurrence of Permanent Incapacity of the Participant and lying unvested, shall vest in such Participant on that day. All the Vested Options shall be permitted to be exercised by the Participant within 1 (one) year from the Termination Date or before the expiry of the Exercise Period, whichever is earlier. The Committee may in its absolute discretion permit the exercise of the Options beyond the said period. Any Vested Option not exercised within this aforesaid period shall lapse and stand forfeited at the end of the aforesaid period.

13.3 On Attainment of Superannuation Age

After 1 (one) year from Grant Date, in case service of a Participant with the Company or the Group, is terminated due to retirement on attaining superannuation age or where an extension in retirement date is granted, on completion of such extension period, then such number of Unvested Options Granted to such Participant shall vest in such Participant as may be determined by the Committee. However, the Committee, at their absolute discretion, may enhance the Vesting of the Options upto 100% (one hundred percent) of the total Options Granted to such Participant. Further, in such cases, all Vested Options should be exercised within 1 (one) year from the Termination Date or before the expiry of the Exercise Period, whichever is earlier. The Committee may in its absolute discretion permit the exercise of the Options beyond the said period. Subject to above, all Unvested Options, which are vested in terms of this Clause, shall immediately stand cancelled and forfeited. Any Vested Option not exercised within this aforesaid period shall lapse and stand forfeited at the end of the aforesaid period.

13.4 Termination with Cause

In case the termination of employment of a Participant with the Company or the Group is with Cause, the Options of such Participant whether Vested Options and Unvested Options shall stand forfeited at the termination date. In such a case, the contract referred to in Clause 9.1 shall stand terminated with no further actions of any party.

13.5 Other terminations

- a) In case the service of the Participant with the Company or the Group is terminated for reasons (including by way resignation by the Participant) other than those specified in Clauses 13.1 to 13.4, all the Vested Options as on the Termination Date shall be permitted to be exercised within 90 (ninety) calendar days from the Termination Date or before the expiry of the Exercise Period, whichever is earlier. All the Unvested Options on the Termination Date shall stand cancelled and forfeited. Any Vested Option not exercised within this aforesaid period shall lapse and stand forfeited at the end of the aforesaid period. The Committee shall have power to accelerate vesting of the Unvested Options and also to extend the period within which Vested Options may be exercised.
- b) If a Participant is suspended from the services of the Company or the Group; or to whom a show cause notice has been issued or against whom an enquiry is being or has been initiated for any reason whatsoever including but not limited to any Cause, all Options Granted to such Participant, including the Vested Options which have not been exercised, may be suspended or kept in abeyance or cancelled at the absolute discretion of the Committee. In case the Options which have been suspended or kept in abeyance, the same may be Vested with such Participant on such additional terms and conditions, as may be imposed by the Committee in its absolute discretion.

13.6 Long Leave

Duly approved long leave of the Participant shall not have any effect on the Scheme as applicable to the Participant.

14. Notices and Correspondence

- 14.1 Any notice/ correspondence required to be given/ made by a Participant to the Company or the Committee or the Trust may be given or made to the Company or the Committee or the Trust at the registered office address of the Company or the Office of the Trust or such other address as may be notified by the Company in writing.

Envelope containing the notice/ correspondence should be super-scripted with a notation "**Notice/ Correspondence under JACPL ESOP Scheme 2013**".

- 14.2 Any notice/ correspondence required to be given/ made by the Company or the Committee or the Trust to a Participant shall be given or made by the Company or the Committee or the Trust on behalf of the Company at the address provided by the Participant in his Acceptance Form.

15. Beneficiary Nomination

Each Participant 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 death of the Participant, before the exercise of Options Granted to such Participant. Each such nomination shall revoke all prior nominations by the same Participant. The nomination by a Participant shall be in a form as may be prescribed by the Company and shall be effective only when such nomination form has been filed by the Participant with the Company during the Participant's lifetime.

16. Non-transferability of Options

Save as provided in Clause 13.1, the Options Granted under this Scheme, are personal to the Participant. The Options cannot be assigned, alienated, pledged, attached, hypothecated, sold or otherwise transferred or encumbered by the Participant otherwise than by will or by the laws of inheritance, to the extent permitted under the Applicable Laws and any purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance not permitted herein shall be void and unenforceable against the Company.

17. Corporate Action

In the event of a corporate action, the Company, in consultation with the Committee, subject to the provisions of the Scheme, may determine the number of Options (Vested Options as well as Unvested Options) and/ or the Exercise Price in respect of the Options to be such number and/ or Exercise Price as is appropriate in accordance with the SEBI ESOP Regulations and other Applicable Laws.

18. Taxes and Levies

18.1 All the Options Granted under the Scheme shall be subject to applicable taxes and levies. The Company or Committee shall withhold/ recover from the concerned Participant such taxes and levies as may be imposed by the Government, on Grant/ Exercise of Options or allotment/ transfer of Shares under the Scheme.

18.2 Notwithstanding anything else contained in the Scheme, no Shares shall be allotted to the Participant or his Beneficiary, on exercise of the Options under the Scheme unless taxes and levies as mentioned above are recovered.

19. Method of Option valuation

19.1 To calculate the Employee Compensation cost, the Company shall use the Intrinsic Value method or such other method, viz. Fair Value etc., as may be prescribed under the regulation(s) issued by the SEBI from time to time for valuation of the Options Granted to the Participant.

19.2 In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the Employee Compensation cost computed using the Intrinsic Value of the Options and the Employee Compensation cost that shall have been recognized if it had used the Fair Value of the Options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on 'Earning Per Share' of the Company shall be disclosed in the 'Directors' Report' of the Company.

19.3 In case of any modifications in SEBI ESOP Regulations and / other applicable laws, the Company shall follow such method as may be applicable from time to time.

20. Listing of the Shares

Subject to the SEBI ESOP Regulations, Listing Regulations and approval of the stock exchanges, the new Shares issued and allotted on Exercise of the Options, in terms of this Scheme and the Applicable Laws, shall be listed on the recognized stock exchanges on which the Shares are listed from time to time.

21. Disclosure and Accounting Policies

The Company shall comply with the accounting policies issued by the ICAI from time to time as well as the disclosure policies as prescribed under the SEBI ESOP Regulations, in connection with Grant and Exercise of Options.

22. Dispute Resolution

22.1 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 (Thirty) calendar days, gives 10 (Ten) calendar days' notice thereof to the other party in writing.

22.2 In case of such failure, either party may refer the dispute to an arbitrator appointed by both the parties and failing such agreement, to 3 (Three) arbitrators, 1 (One) to be appointed by each party and the presiding arbitrator to be jointly appointed by 2 (two) arbitrators appointed by the parties. The arbitration proceeding shall be held in New Delhi, India and in English language under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof. The arbitrator(s) award shall be a reasoned award in writing. The arbitrator(s) 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 Uttar Pradesh.

23. Governing Law

This Scheme, the Options and all agreements thereunder shall be governed by and construed in accordance with the Applicable Laws of India.

24. Scheme Severable

The Options are subject to the Scheme. Any term of the Scheme that is contrary to the requirement of the SEBI ESOP Regulations or any Applicable Laws shall not apply to the extent it is contrary.

25. Regulatory Approvals

The implementation of the Scheme, the Grant of any Option under the Scheme and the issuance/ transfer of any Shares under this Scheme shall be subject to the procurement by the Company and the Participants of all approvals and permits required by any regulatory authorities having jurisdiction over the Scheme, the Options and the Shares issued/ transferred pursuant thereto. The Participants under this Scheme shall, if requested by the Company/Group/Committee, provide such assurances and representations to the Company or the Committee, as the Committee may deem necessary or desirable to ensure compliance with the Applicable

Laws and accounting requirements.

The Board shall make all relevant disclosures in the Director's Report in relation to the Scheme as are required under Regulation 14 of the SEBI ESOP Regulations and Circular as and when it is applicable.

26. Modification of Scheme

Save as otherwise provide in the SEBI ESOP Regulations or any other applicable law for the time being in force, the Committee may pursuant to a special resolution passed at a General Meeting of the Shareholders/ through postal ballot, as may be permitted under the Applicable Laws, at any time and from time to time:

- a) 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 Participants under the Scheme;
- b) Alter the Exercise price, if the issued Options become unattractive due to fall in market price of the Shares.

Provided that no variation, alteration, addition or amendment to the Scheme or the Exercise Price can be made if it is detrimental to the interest of the Participant/Grantee unless the terms are varied to meet any regulatory requirements as per Clause 7(1) of the SEBI ESOP Regulations.

27. Miscellaneous Provisions

- 27.1 The Participant (or the Beneficiary) shall have no rights as a shareholder of the Company with respect to the Options/ Shares under this Scheme (including any right to receive dividend or voting rights) until the Shares have been issued/ transferred to such Participant (or the Beneficiary) in accordance with this Scheme and name of the Participant (or the Beneficiary) has been entered in the register of members of the Company as the holder of the Shares.
- 27.2 Unless the Options are Granted to the Participant, neither the adoption of the Scheme nor any action of the Board or the Committee or the Trust or the shareholders of the Company shall be deemed to give an Employee, any right to claim or be Granted any Option or a right to acquire Shares under the Scheme.
- 27.3 This Scheme shall not form part of any contract of employment between the Company/Group and an Eligible Employee and the rights and obligations of any Eligible Employee under the terms of his office or employment shall not be affected by his participation in this Scheme or any right which he may have to participate in it and this Scheme shall afford such an Eligible Employee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason. It is clarified that nothing contained herein or in the Grant Letter shall give or confer upon the Grantee or the Participant, any right for continuation of any employment with the Company/Group or interfere in any way with the right of the Company/Group to terminate the employment of such Employee.
- 27.4 The existence of this Scheme and the Grants made hereunder shall not in any way affect the right or the power of the Company to make or authorize any change in capital structure (including any issue of shares, debt or other securities having any priority or preference with respect to the then existing Shares (including Shares underlying the Options) or the rights thereof) or to prevent the Company from taking any corporate action or change its capital structure which is deemed by the Company to be appropriate or in its best interest.
- 27.5 This Scheme shall not confer on any person any legal or equitable rights against the Company or the Group or the Committee directly or indirectly or give rise to any cause of action at law or in equity against the Company or the Group or the Committee or the Trust or the trustee(s).
- 27.6 The Participant shall comply with the provisions of the 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 as well as any Code of Conduct or such similar policies, procedures or systems formulated or adopted by the Company or the Committee and communicated to the Participant from time to time. Any violation of the Applicable Laws or Code of Conduct may result in cancellation of all Vested Options and Unvested Options as well as subject the Participant to disciplinary action at the discretion of the Company.
- 27.7 The Company shall bear the costs of establishing and administering this Scheme, including any costs of the Company's auditors or any independent financial advisor in relation to the preparation of any confirmation by them or provision of any other service in relation to this Scheme.
- 27.8 A Grantee shall, before accepting a Grant, obtain all necessary consents that may be required to enable him to accept the Grant and the Company/ the Trust to allot or transfer to him in accordance with the provisions of this Scheme, the Shares due to be allotted/ transferred upon the exercise of his Vested Options. By accepting a Grant, the Grantee thereof is deemed to have represented to the Company or the Committee that he has obtained all such consents. Compliance with this paragraph shall be a condition precedent to an acceptance of a Grant by a Grantee.
- 27.9 The acceptance of the Grant is entirely voluntary and the Company/Group or the Committee does not guarantee any return on Shares.
- 27.10 Notwithstanding anything else contained in this Scheme, Options not Vested due to non-fulfilment of the stipulated conditions, Vested Options not exercised within the Exercise Period or the period specified in Clause 13 (as applicable) and any Options Granted but not Vested or exercised within the stipulated time due to any reasons, shall, unless otherwise determined by the Committee, lapse and these Options will be available for Grant by the Committee to any other Eligible Employee(s) as it may deem fit in its absolute discretion, whether under the present Scheme or under a new scheme, subject to compliance with the provisions of Applicable Laws. The terms relating to exercise price, exercise period, vesting, etc. in respect of such lapsed Options to be Granted as aforesaid, shall be determined by the Committee at the time of grant as it may deem fit in its absolute discretion, subject to compliance with the Applicable Laws.

27.11 In the event the transfer and/or allotment of Shares to the Participants is administered through the Trust, the obligations of the Company in connection with the transfer/ allotment of Shares to a Participant upon Exercise shall be performed by the Company through the Trust subject to terms of the Scheme and the Trust Deed.

28. Set-off

It shall be the Company's or the Committee's obligation to convey to the Participant that the Shares shall be subject to set-off or counter claim of amounts owed by the Participant to the Company or the Trust, to the extent permissible under the Applicable Laws.

29. Term of the Scheme

29.1 The Scheme shall continue in effect unless terminated by the Company.

29.2 Any such termination of the Scheme shall not affect Options already Granted to the Participant and such Options Granted to the Participant shall remain in full force and effect as if the Scheme had not been terminated unless mutually agreed otherwise between the Participants and the Committee/ the Company.

30. Confidentiality

The Participant 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 any statutes or regulations applicable to such Participant.