

**KALPATARU LIMITED**  
**Kalpataru Limited Employees Stock Option Scheme 2024**  
**("ESOS 2024"/ "Scheme")**

*As ratified vide the shareholders' special resolution dated 30<sup>th</sup> August, 2025*

**Registered Office:** 91, Kalpataru Synergy, Opposite Grand Hyatt,  
Santacruz (East), Mumbai - 400055

**CIN:** L45200MH1988PLC050144

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## **Kalpataru Limited**

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**CIN:** L45200MH1988PLC050144

### **1. Name, Objectives and Term of the Scheme**

- 1.1 This employee stock option scheme shall be called the **‘Kalpataru Limited Employees Stock Option Scheme 2024’ (“ESOS 2024”/ “Scheme”)**.
- 1.2 The primary objective of the Scheme is to attract, retain and reward Employees of the Company and its Group Company including Subsidiary Company(ies), Associate Company(ies) by providing them wealth creation opportunity. The Company intends to use this Scheme to attract, retain and motivate key talents working with the Company and its Group Company including Subsidiary Company(ies), Associate Company(ies), by way of rewarding for their high performance and motivate them to contribute to the overall corporate growth and profitability. The Company views employee stock options as long-term incentive tool that would enable the Employees not only to become co-owners, but also to create wealth out of such ownership in future.
- 1.3 The Scheme is established with effect from 03<sup>rd</sup> August, 2024, on which the shareholders of the Company have approved the Scheme by way of a special resolution, and it shall continue to be in force until (i) its termination by the shareholders as per provisions of Applicable Laws or in accordance with this Scheme, or (ii) the date on which all of the Options available for issuance under the Scheme have been issued and exercised, whichever is earlier.
- 1.4 Subsequently, the Company has listed its Shares (as defined below) on the recognized Stock Exchanges. Consequently, pursuant to the applicable provisions of the SEBI SBEB Regulations, the Company has ratified this Scheme vide shareholders’ approval by way of a special resolution dated 30<sup>th</sup> August, 2025.
- 1.5 The Scheme has been framed in accordance with the SEBI SBEB Regulations and the Companies Act read with the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time and other applicable rules, regulations and provisions of law for the time being in force and shall be subject to any modifications or amendments or re-enactments thereof.

### **2. Definitions and Interpretations**

#### **2.1 Definitions**

- i. **“Applicable Laws”** means every law relating to employee stock options by whatever name called, including but without limitation to the Companies Act, Securities and Exchange Board of India Act 1992, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (**“ICDR Regulations”**), the Securities Contracts (Regulation)

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Act, 1956, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**"), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB Regulations**"), as amended and enacted from time to time, read with all circulars and notifications issued thereunder and all relevant tax, securities, exchange control or corporate laws of India or of any relevant jurisdiction or of any Stock Exchange on which the Shares are listed or quoted.

- ii. "**Associate Company**" means any present or future associate company(ies) of the Company, as defined under the provisions of the Companies Act.
- iii. "**Board**" means the Board of Directors of the Company.
- iv. "**Closing Date**" means the last date on which the Grant of Options by the Company to an eligible Employee can be accepted. In case the last date is a non-working day, then the Closing Date shall be on the next working day.
- v. "**Committee**" means the existing Nomination and Remuneration Committee constituted by the Board under Regulation 19 of the LODR Regulations, as amended from time to time, which has been delegated the administration and supervision of Scheme and having such powers as specified under the SEBI SBEB Regulations read with powers specified in this Scheme.
- vi. "**Companies Act**" means the Companies Act, 2013, read with rules made thereunder, and includes any statutory modifications or re-enactments thereof.
- vii. "**Company**" means 'Kalpataru Limited', a Company registered in India under the provisions of the Companies Act, 1956 with Corporate Identification Number U45200MH1988PLC050144 and having its registered office at 91, Kalpataru Synergy, Opp. Grand Hyatt, Santacruz (East), Mumbai - 400055.
- viii. "**Company Policies**" / "**Terms of Employment**" mean the Company's policies for Employees and the terms of employment as contained in the employment letter and the Company handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other Employees and customers.

Policies/code of conduct as amended from time to time, other relevant human resource policies and Terms of Employment of the Subsidiary Company or Associate Company of the Company as regards an Option Grantee on the payrolls of such company shall be deemed to be "Company Policies/Terms of Employment" for such Option Grantee.

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- ix. **“Death”** for the purpose of this Scheme shall mean death of an Employee during the continuance of employment or service or as specified under the human resource policy of the Company.
- x. **“Director”** means a member of the Board of the Company.
- xi. **“Eligibility Criteria”** means the criteria as may be determined from time to time by the Committee for determining the eligibility of the Employees for Grant of Options under the Scheme.
- xii. **“Employee”** means
  - (i) an employee as designated by the Company, who is exclusively working in India or outside India; or
  - (ii) a Director of the Company, whether a whole-time Director or not, including a non-executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or
  - (iii) an employee as defined in sub-clauses (i) and (ii) above, of a Group Company including Subsidiary Company(ies) or Associate Company(ies), in India or outside India;but does not include:
  - a. an employee who is a Promoter or a person belonging to the Promoter Group; or
  - b. a Director who, either himself or through his relative or through any body-corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.
- xiii. **“ESOS 2024” / “Scheme”** means this ‘Kalpataru Limited Employees Stock Option Scheme 2024’, under which the Company is authorized to grant Options to the Employees.
- xiv. **“Exercise”** means expression of intention in writing by an Option Grantee to the Company to purchase Shares underlying the Options vested in him, in pursuance of this Scheme, in accordance with the procedure laid down by the Company for Exercise of Options.
- xv. **“Exercise Period”** means such time period commencing after Vesting within which the Employee should exercise the Options vested in him in pursuance of the Scheme, as more particularly specified at sub-clause 8.2 of the Scheme.

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- xvi. **“Exercise Price”** means the price determined by the Committee as per provisions of this Scheme and specified in the Grant Letter, being payable by an Employee upon Exercise of the Options vested in him in pursuance of the Scheme.
- xvii. **“Grant”** means the process of issue of Options to the Employees by the Company under the Scheme.
- xviii. **“Grant Letter”** means the formal communication in writing as regards Grant made by the Company to the Employee containing specific details, terms, and conditions of the Options.
- xix. **“Group Company”** means two or more companies which, directly or indirectly, are in a position to—
  - (a) exercise twenty-six per cent. or more of the voting rights in the other company; or
  - (b) appoint more than fifty per cent. of the members of the board of directors in the other company; or
  - (c) control the management or affairs of the other company.
- xx. **“Independent Director”** means a Director within the meaning of Section 149(6) of the Companies Act, read with Regulation 16(1)(b) of the LODR Regulations, as amended from time to time.
- xxi. **“Market Price”** means the latest available closing price on the date immediately prior to the Relevant Date on the recognised Stock Exchange on which the Shares of the Company are listed.

**Explanation-** If such Shares are listed on more than one recognised Stock Exchange, then the closing price on the recognised Stock Exchange having higher trading volume shall be considered as the market price.

- xxii. **“Merchant Banker”** shall have the same meaning assigned to it under Regulation 2(1)(cb) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, which is registered under Section 12 of the Securities and Exchange Board of India Act, 1992.
- xxiii. **“Misconduct”** means any of the following acts or omissions by an Option Grantee in addition to any provisions prescribed in the offer letter or terms of employment amounting to violation or breach of terms of employment as determined by the Committee after giving the Employee an opportunity of being heard:

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- (i) dishonest statements or acts of an Option Grantee, with respect to the Company;
  - (ii) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud committed by the Employee;
  - (iii) gross negligence, misconduct or insubordination of the Employee in connection with the performance of his duties and obligations towards the Company;
  - (iv) breach by the Employee of any terms of his employment agreement or the Company's policies or other documents or directions of Company;
  - (v) participating or abetting a strike in contravention of any law for the time being in force;
  - (vi) misconduct as provided under applicable labour laws after following the principles of natural justice; and
  - (vii) any other not included above but defined as misconduct in the Company's rules or Employee handbook and / or employment agreement and/or appointment letter.
- xxiv. **"Option"** means the employee stock option given to an Employee which gives such an Employee a right but not an obligation to purchase or subscribe at a future date, the Shares offered by the Company, directly or indirectly, at a pre-determined price.
- xxv. **"Option Grantee"** means an Employee who has been granted Option(s) and has accepted such Grant as required under the Scheme and shall deem to include nominee/ legal heir of an option grantee in case of his death to the extent provisions of the Scheme are applicable to such nominee/ legal heir.
- xxvi. **"Permanent Incapacity"** means any disability or incapacitation while in employment or service, of whatsoever nature, be it physical, mental, or otherwise, which incapacitates or prevents or handicaps an Option Grantee from performing any specific job, work or task which the said personnel was capable of performing immediately before such disablement, as determined by the Committee.
- xxvii. **"Promoter"** shall have the same meaning assigned to it under the ICDR Regulations, as amended from time to time.
- xxviii. **"Promoter Group"** shall have the same meaning assigned to it under the ICDR Regulations, as amended from time to time.

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- xxix. **"Relevant Date"** means:
- (i) in the case of Grant, the date of the meeting of the Committee on which the Grant is made; or
  - (ii) in the case of Exercise, the date on which the notice of Exercise is given to the Company by the Option Grantee.
- xxx. **"Retirement"** means retirement or superannuation as per the policy of the Company.
- xxxi. **"SEBI SBEB Regulations"** Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021, as amended.
- xxxii. **"Secretarial Auditor"** means a company secretary in practice appointed by a Company under Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 to conduct secretarial audit pursuant to Regulation 24A of the SEBI LODR Regulations, 2015.
- xxxiii. **"Shares"** means an equity share of the Company of face value of Rs. 10/- (**Rupees Ten only**) each fully paid-up including the equity shares arising out of the Exercise of Options granted under this Scheme.
- xxxiv. **"Stock Exchange"** means the National Stock Exchange of India Limited, BSE Limited, or any other recognized Stock Exchange in India on which the Shares are listed or to be listed in future.
- xxxv. **"Subsidiary Company"** means any present or future subsidiary company(ies) of the Company determined as per provisions of the Companies Act.
- xxxvi. **"Unvested Option"** means an Option in respect of which the relevant Vesting Conditions have not been satisfied and as such, the Option Grantee has not become eligible to Exercise the Option.
- xxxvii. **"Vested Option"** means an Option in respect of which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible to Exercise the Option.
- xxxviii. **"Vesting"** means the process by which the employee becomes entitled to receive the benefit of the right to Exercise the Options granted to him in pursuance of the Scheme.
- xxxix. **"Vesting Condition"** means the condition(s) prescribed, if any, subject to satisfaction of which, the Options granted would vest in an Option Grantee.



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- xl. **“Vesting Date”** means the date(s) on which Grant of Options would vest to an Option Grantee, upon completion of the Vesting Period and compliance with any other conditions specified.
- xli. **“Vesting Period”** means the period during which the Vesting of the Option granted to the Employee, in pursuance of the Scheme takes place.

## **2.2 Interpretation**

In this Scheme, unless the contrary intention appears:

- (a) the clause headings are for ease of reference only and shall not be relevant for interpretation;
- (b) a reference to a clause number is a reference to its Sub-clauses;
- (c) words in singular number include the plural and vice versa;
- (d) words importing a gender include any other gender;
- (e) a reference to a schedule includes a reference to any part of that schedule which is incorporated by reference; and
- (f) the terms defined above shall for the purposes of this Scheme have the meanings herein specified and terms not defined above shall have the meanings as defined in the Applicable Laws. Reference to any act, rules, statute or notification shall include any statutory modifications, substitution or re-enactment thereof.

## **3. Authority and Ceiling**

- 3.1 The shareholders of the Company have vide their special resolution dated 3<sup>rd</sup> August, 2024 approved the Scheme authorizing the Committee to Grant not exceeding **54,00,000 (Fifty Four Lakh) Options (“Options Pool”)** to the eligible Employees in one or more tranches, from time to time, which in aggregate shall be exercisable into not more than **54,00,000 (Fifty Four Lakh) Shares**, with each such Option conferring a right upon the Employees to apply for one Share of the Company, in accordance with the terms and conditions as may be determined by the Committee in accordance with the provisions of the Scheme and Applicable Laws.

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- 3.2 The maximum number of Options under the Scheme that may be granted to an Employee in any year and in aggregate shall not exceed **1,00,000 (One Lakh)** Options at the time of grant of Option under the Scheme.

**Provided that** if the number of Options that may be Granted to an eligible Employee, during any one year, shall be equal to or more than 1% (one percent) of the issued capital (excluding any outstanding warrants and conversions) of the Company at the time of Grant of Options, then the Company shall take prior approval from shareholders of the Company by way of a separate resolution and as a consequence the provisions of the sub-clause above shall stand amended.

- 3.3 If an Option expires, lapses, or becomes un-exercisable due to any other reason, it shall be brought back to the Options Pool specified above and shall become available for future Grants, subject to compliance with the provisions of Applicable Laws and the Scheme.
- 3.4 Where Shares are issued consequent upon Exercise of Options under the Scheme, the maximum number of Shares that can be issued under sub-clause Clause 3.1 above shall stand reduced to the extent of such Shares which are issued.
- 3.5 In case of a Share split or consolidation, if the revised face value of the Share is less or more than the current face value as prevailing on the date of coming into force of this Scheme, the maximum number of Shares available for being issued under Scheme as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (number of Shares x face value per Share) prior to such Share split or consolidation remains unchanged after such Share split or consolidation. Thus, for example, the prevailing face value of each Share is Rs. 10 per Share and the revised face value after the Share split is Rs. 5 per Share, the total number of Shares available under Scheme would be (Shares reserved at sub-clause 3.1 x 2) Shares of Rs. 5 each. Similarly, in case of bonus issues, rights issues, merger, sale of division and others, the available number of Shares under Scheme shall be revised to restore the value, in terms of sub-clause 4.2(k) of this Scheme.
- 3.6 In the event of fresh Grant of Options after Listing, the Company shall obtain prior approval from the shareholders of the Company by way of ratification of the Scheme. Also, the Company will require an approval from the Stock Exchange(s) post Listing for this Scheme in accordance with Applicable Laws.

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**4. Administration**

- 4.1 The Scheme shall be administered by the Committee. All questions of interpretation of the Scheme or any Option granted thereunder shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Scheme or in any Option granted thereunder.
- 4.2 The Committee shall, in accordance with this Scheme and Applicable Laws, determine the following:
- (a) The Eligibility Criteria for Grant of Option to the Employees;
  - (b) The quantum of Options to be granted to the eligible Employees, subject to the ceilings as specified in sub-clauses 3.1 and 3.2;
  - (c) The time when the Options are to be granted;
  - (d) The number of Options to be granted to each Option Grantee;
  - (e) The terms and conditions subject to which the Options granted would vest in the Option Grantee;
  - (f) The specific Vesting Period and Vesting schedule of the Options granted;
  - (g) The Exercise Period within which Employees can Exercise their Vested Options and the Options would lapse on failure to Exercise the same within the Exercise Period;
  - (h) The Exercise Price of the Options granted;
  - (i) The right of an Employee to Exercise all the Options, Vested in him at one time or at various points of time within the Exercise Period;
  - (j) Obtaining permissions from, making periodic reports to regulatory authorities, as may be required and ensuring compliance with all guidelines applicable in this regard;
  - (k) 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 such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, *inter alia*, be taken into consideration by the Committee:
    - (i) the number and price of Options shall be adjusted in a manner such that total value of the Options in the hands of the Option Grantee remains the same after such corporate action; and
    - (ii) the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Option Grantees.
  - (l) The procedure and terms for the Grant, Vesting and Exercise of Options in case of Option Grantees who are on a long leave;
  - (m) The conditions under which Option vested in Employees may lapse in case of termination or resignation;

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- (n) The procedure for buy-back of Options granted under the 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 Options that the Company may buy-back in a financial year;
  - (o) Formulate suitable policies and procedures to ensure that there is no violation of Applicable Laws, in relation to this Scheme by the Company and the Employees;
  - (p) Approve forms, writings and/or agreements for use in pursuance of the Scheme; and
  - (q) The procedure for funding the Exercise of Options, as permitted under the Applicable Laws.
- 4.3 Neither the Committee nor any of its members shall be liable for any actions taken in good faith for the implementation of the Scheme.
- 4.4 The Committee may rely upon the advice and assistance of any professional it deems appropriate in the implementation of the Scheme.
- 4.5 The Company has framed and adopted suitable policies and systems to ensure that there is no violation of (a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) (b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 (as amended from time to time) and (c) any other regulation as may be notified by the Securities and Exchange Board of India or any other authority from time to time, by the Company, its Group Company including Subsidiary Company(ies), Associate Company(ies) and any of its Employee.
- 4.6 The Committee shall have a right to delegate or authorize any officer of the Company, if required and subject to the extent allowed under the Applicable Laws, such power to do specific acts and things without limitation for the listing of Shares on recognized Stock Exchange(s) arising pursuant to Exercise of Vested Options, execution and submission of various document(s) to recognized Stock Exchange(s) or any other institution as may be deemed necessary in connection with the Scheme.

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**5. Eligibility and Applicability**

- 5.1 Only Employees within the meaning of the Scheme are eligible for the Grant of Options. The specific Employees to whom the Options would be Granted, and their Eligibility Criteria would be determined by the Committee at its sole discretion taking into consideration the recommendation of the management from time to time.
- 5.2 The Scheme shall be applicable to the Company, its Group Company including Subsidiary Company(ies), Associate Company(ies) and any successor company thereof to the extent any of their Employees have been Granted Options under the Scheme and apply to each Option Grantee.
- 5.3 The appraisal process for determining eligibility of the Employees for Grant of Options shall be decided from time to time by the Committee. The broad criteria for review and selection may include parameters like designation, tenure with the Company/Subsidiary Company/Associate Company, performance during the previous years, future potential, and contribution or impact towards strategic growth, etc. However, for new joiners, the broad criteria for selection shall be basis prior work experience, applicable skills, designated job role or such other factors as determined by the Committee.

**6. Grant and Acceptance of Grant**

**6.1 Grant of Options**

- (a) Grants contemplated under the Scheme shall be made on such day and month as decided by the Committee at its sole discretion taking into consideration the recommendation of the management of the Company.
- (b) Each Grant of Options under the Scheme shall be made in writing by the Company to the eligible Employees by way of Grant Letter containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Laws and will specify the number of Options to which the Option Grantee is entitled, the Exercise Price, the Closing Date of accepting the offer, Vesting Date(s), Vesting Condition(s) and such other details as the Committee may specify.

**6.2 Acceptance of the Grant**

- (a) An eligible Employee who wishes to accept the Grant made under this Scheme must deliver to the Company a duly signed acceptance of the Grant on or before the Closing Date, as specified in the Grant Letter.

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- (b) Upon receipt by the Company of such signed acceptance, the eligible Employee will become an Option Grantee. Failure to deliver such acceptance before the Closing Date, shall result in rejection of the Grant and lapse of the offer to such Employee unless the Committee determines otherwise.
- (c) Upon acceptance of the Grant in the manner described above, the Employee as an Option Grantee, shall be bound by the terms, conditions and restrictions of the Scheme and the Grant Letter. No amount would be required to be paid by the Option Grantee either at the time of Grant or at the time of Vesting.

**7. Vesting Schedule / Vesting Conditions**

- 7.1 Options granted under the Scheme shall Vest not earlier than minimum period of **1 (One) year** and not later than maximum period of **4 (Four) years** from the date of Grant. The Committee at its discretion may Grant Options specifying Vesting Period ranging between minimum and maximum period as afore stated.

**Provided that** in case where Options are required to be granted by the Company under the Scheme in lieu of options held by an employee under a similar Scheme in another company ("**Transferor Company**") which has merged, demerged, arranged or amalgamated with the Company, the period during which the options granted by the Transferor Company were held by such employee shall be adjusted against the minimum Vesting Period required under this sub-clause in due compliance with the provisions of SEBI SBEB Regulations.

**Provided further that** in the event of Death or Permanent Incapacity of an Employee, the minimum Vesting Period shall not be applicable and in such instances, all the Unvested Options shall vest with effect from date of the Death or Permanent Incapacity.

- 7.2 In the event that an Employee, who has been granted Options under the Scheme, is transferred or deputed or seconded to Group Company including Subsidiary Company or Associate Company prior to Vesting, the original Vesting Period as defined under the respective Grant Letter shall continue in the case of such transferred, deputed, or seconded Employee even after the transfer, deputation, or secondment.
- 7.3 Vesting of Option would be subject to continued employment with the Company or its Group Company including Subsidiary Company or Associate Company, as the case may be. However, in the event of Retirement, all Unvested Options as on the

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date of Retirement shall continue to vest in accordance with the original vesting schedule, notwithstanding cessation of employment. In addition to this, the Committee shall have the power to prescribe achievement of performance condition(s)/target(s) being corporate or individual or otherwise with a predefined threshold for Vesting as deemed appropriate for each Employee, subject to satisfaction of which the Options would vest.

7.4 As a prerequisite for a valid Vesting, an Option Grantee is required to be in employment or service of the Company or its Group Company including Subsidiary Company or Associate Company, on the date of Vesting and must neither be serving his notice for termination of employment/ service, nor be subject to any disciplinary proceedings pending against him on such date of Vesting. In case of any disciplinary proceedings against any Option Grantee, the relevant Vesting shall be kept in abeyance until disposal of the proceedings and such Vesting shall be determined accordingly. In case of termination from employment/ service due to Misconduct, the provisions of serial number 2 in the table given in sub-clause 8.2(b) of the Scheme shall apply.

7.5 The Vesting dates, Vesting Schedule and Vesting Condition(s) in respect of the Options granted under the Scheme shall be determined by the Committee and may vary from an Employee to Employee or any class thereof and / or in respect of the number or percentage of Options to be vested and would be outlined in the Grant Letter given to the Option Grantee at the time of Grant of Options.

**7.6 Vesting of Options in case of Employees on long leave**

The period of leave shall not be considered in determining the Vesting Period in the event the Option Grantee is on a sabbatical, as defined in the Company Policies/Terms of Employment. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Committee.

**8. Exercise Price and Exercise Period**

**8.1 Exercise Price**

(a) The Committee shall have the power to decide the Exercise Price subject to conforming to the accounting policies specified in Regulation 15 of the SEBI SBEB Regulations. The Exercise Price per Option shall not be less than the face value of the Shares and shall not exceed the Market Price of the Shares as on Grant Date.

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The specific Exercise Price shall be intimated to the Option Grantee in the Grant Letter issued at the time of Grant.

- (b) Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company or by electronic mode through banking channels such as National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), Immediate Payment Service (IMPS) or in such other manner as the Committee may decide.

## 8.2 Exercise Period

### (a) Exercise while in employment/ service:

The Exercise Period in respect of a Vested Option shall be subject to a maximum period of **3 (Three) years** commencing from the relevant date of Vesting of Options, or such other shorter period as may be prescribed by the Committee at the time of Grant. The specific Exercise Period shall be intimated to the Option Grantee in the Grant Letter at the time of Grant. All the Vested Options may be exercised by the Option Grantee at once or at various points of time within the Exercise Period.

### (b) Exercise Period in case of separation from employment / service:

The Options can be exercised as per provisions outlined below:

S. No.	Events of Separation	Vested Options	Unvested Options
1	<b>Resignation / termination</b> (other than due to Misconduct)	Subject to maximum Exercise Period, all the Vested Options as on the date of submission of resignation / termination shall be exercisable by the Option Grantee within <b>3 (Three) months</b> from the date of such event.	All the Unvested Options as on date of submission of resignation/ termination shall stand <b>cancelled</b> with effect from date of submission of such resignation/ termination.
2	<b>Termination due to Misconduct</b>	All the Vested Options at the time of issuing notice of such termination shall stand <b>cancelled</b> with effect from the date of issuing notice of such termination	All the Unvested Options at the time of issuing notice of such termination shall stand <b>cancelled</b> with effect from the date of issuing notice of such termination and shall



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S. No.	Events of Separation	Vested Options	Unvested Options
		and shall be deemed to have been lapsed.	be deemed to have been lapsed.
3	<b>Retirement</b>	Subject to maximum Exercise Period, all the Vested Options as on date of Retirement shall be exercisable by the Option Grantee within <b>12 (Twelve) months</b> from the date of Retirement.	<p>All Unvested Options as on the date of Retirement would continue to vest in accordance with the <b>original vesting schedule</b> even after the Retirement unless otherwise determined by the Committee in accordance with the Company's Policies and provisions of prevailing Applicable Laws.</p> <p>Such aforesaid Vested Options can be exercised within a period of <b>12 (Twelve) months</b> from the date of Retirement or Vesting, whichever is later.</p>
4	<b>Death</b>	Subject to maximum Exercise Period, all the Vested Options as on date Death can be exercised by the Option Grantee's nominee or legal heirs within <b>12 (Twelve) months</b> from the date of Death.	All the Unvested Options as on date Death shall <b>vest immediately</b> and such Vested Options may be exercised in the manner specified for Vested Options.
5	<b>Permanent Incapacity</b>	Subject to maximum Exercise Period, all the Vested Options as on date of incurring such incapacity can be exercised within <b>12 (Twelve) months</b> from the date of incurring such incapacity.	All the Unvested Options as on date incurring such incapacity shall <b>vest immediately</b> and such Vested Options may be exercised in the manner specified for Vested Options.

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S. No.	Events of Separation	Vested Options	Unvested Options
6	<b>Transfer / deputation / secondment from/ to Subsidiary Company or Associate Company</b>	Exercise Period to remain the same as per the terms of the Grant.  In case of subsequent separation, treatment of Vested Options shall be as per applicable circumstance mentioned in this table.	Vesting schedule and Exercise Period to remain same as per the terms of the Grant.  In case of subsequent separation, treatment of Unvested Options shall be as per applicable circumstance mentioned in this table.
7	<b>Separation due to reasons apart from those mentioned above</b>	Subject to Applicable Laws, the <b>Committee shall decide</b> whether the Vested Options which are not exercised as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All the Unvested Options as on the date of separation shall stand <b>cancelled</b> with effect from such date unless otherwise required under Applicable Laws.

- 8.3 The Options shall be deemed to be exercised when an Option Grantee makes an application in writing to the Company or by any other means as decided by the Committee including through any online portal / platform, for purchasing the Shares against the Options vested in him, subject to payment of Exercise Price, applicable taxes and compliance of other requisite conditions of Exercise and upon subsequent allotment of Shares pursuant to such application.
- 8.4 The Options not exercised within the prescribed Exercise Period shall lapse and the Option Grantee shall have no right over such lapsed or cancelled Options, which shall immediately get added back to the Options Pool.
- 8.5 In the event of the Death of an eligible Employee who has not nominated any person(s), the Options granted shall be exercisable by the legal heir(s) or successor(s) of the deceased Employee within such time and in such manner as stipulated in sub-clause 8.2. Provided, however, that the legal heir(s) or successor(s) shall be required to submit to the Committee all such documents, declarations, and/or indemnities as may be reasonably required by the Company to establish their claim as legal heir(s) or successor(s) of the deceased Employee's estate

**9. Lock-in**

The Shares allotted upon Exercise shall be freely transferable and shall not be subject to any lock-in restriction after such allotment.

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Provided that the Shares allotted on such Exercise cannot be sold for such further period or intermittently as required under the terms of Code of Conduct for Prevention of Insider Trading of the Company framed under Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

**10. Exit route in case of de-listing**

If the Company gets delisted from all the recognized Stock Exchange(s), then the Committee as authorized by the Board shall have the power to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance with the Applicable Laws.

**11. Restriction on transfer of Options**

- 11.1 The Options shall not be directly or indirectly pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 11.2 The Options shall not be directly or indirectly transferable to any person except in the event of Death of the Option Grantee in which case provisions of sub-clause 8.2(b) would apply.
- 11.3 No person other than the Employee to whom the Option is granted shall be entitled to Exercise the Option except in the event of the Death of the Option Grantee in which case provisions of sub-clause 8.2(b) would apply.

**12. Rights as a shareholder**

- 12.1 The Option Grantee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a shareholder in respect of Options granted, till Shares underlying such Options are issued by the Company upon Exercise of such Options.
- 12.2 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Company (for example, bonus issue, rights issue, dividend, voting, etc.) in respect of any Shares covered under the Grant unless the Option Grantee Exercises the Option and thereupon, becomes a registered holder of the Shares of the Company.
- 12.3 In case of any corporate action (for example, bonus issue, right issue, share split, buyback, merger, etc.), the Option Grantee shall not be eligible for any right or status of any kind as that of a shareholder of the Company. However, the necessary adjustments to the number of Options or the Exercise Price or both would be made in accordance with sub-clause 4.2(k) of the Scheme.

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**13. Deduction / recovery of Tax**

- 13.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this Scheme and the Shares issued pursuant to Exercise thereof shall be entirely on the Option Grantee (or his nominee(s)/ legal heir(s)/ successor(s), as the case may be) and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder and/or income tax laws of respective countries as applicable to eligible Option Grantees working abroad, if any.
- 13.2 The Company shall have the right to deduct from the Option Grantee's salary or recover any tax that is required to be deducted or recovered under the Applicable Laws. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.
- 13.3 The Company shall have no obligation to issue Shares until the Company's tax deduction obligations, if any, have been satisfied by the Option Grantee (or his nominee(s)/ legal heir(s)/ successor(s), as the case may be) in full.

**14. Authority to vary terms**

- 14.1 For the purpose of efficient implementation and administration of the Scheme and with the prior approval of the shareholders' of the Company by way of a special resolution, the Committee may revise the terms of the Scheme and/ or terms of the Options already granted but not yet exercised under the Scheme subject to the condition that such amendment, alteration, or variation, as the case may be is not detrimental to the interest of Option Grantee.

**Provided that** the Company shall be entitled to vary the terms of the Scheme to meet any regulatory requirement without seeking shareholders' approval by way of a special resolution.

- 14.2 The Committee may also re-price the Options which are not exercised, whether or not they have vested, if Scheme is rendered unattractive due to fall in the price of the Shares, provided that the Company ensures that such re-pricing shall not be detrimental to the interest of the Option Grantee and approval of the shareholders by way of a special resolution has been obtained for such re-pricing.

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**15. Miscellaneous**

**15.1 Government Regulations**

This Scheme shall be subject to all Applicable Law including any statutory modification(s) or re-enactment(s) thereof, and approvals from government authorities. The Grant and the allotment of Shares under this Scheme shall also be subject to the Company requiring Option Grantee to comply with all Applicable Law.

- 15.2 The Company shall issue to the Option Grantee, all Shares arising from Exercise of Options and after payment of applicable taxes, only in dematerialized form. The demat account into which such Shares will be credited, must be in the name of the relevant Option Grantee only and not jointly with any other person except in case of Death, where the Shares can be credited to demat account of Option Grantee's nominee or legal heirs.

**15.3 Inability to obtain authority**

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

- 15.4 Neither the existence of this Scheme nor the fact that an Employee has on any occasion been granted an Option shall give such Employee any right, entitlement or expectation that the Employee has, or will in the future, have any such right, entitlement or expectation to participate in this Scheme by being granted an Option on any other occasion.
- 15.5 The rights granted to an Option Grantee upon the grant of an Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).
- 15.6 The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to Exercise an Option in whole or in part.
- 15.7 Participation in the Scheme shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the market price of the Shares and the risks associated with the investments are those of the Option Grantee alone.

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**16. Accounting and Disclosures**

The Company shall follow the requirements including the disclosure requirements under IND AS 102 on Share-based payments and/ or any relevant accounting standards as may be prescribed by the Central Government in terms of Section 133 of the Companies Act or any other appropriate authority, from time to time, including any guidance note on accounting for employee share-based payments issued in that regard from time to time and the disclosure requirements prescribed therein, in compliance with relevant provisions of Regulation 15 of SEBI SBEB Regulations.

**17. Certificate from Secretarial Auditors**

The Board shall at each annual general meeting place before the shareholders, a certificate from the secretarial auditors of the Company that the Scheme has been implemented in accordance with the SEBI SBEB Regulations and in accordance with the shareholders' resolution approving the Scheme.

**18. Governing Laws and Jurisdiction**

18.1 The terms and conditions of the Scheme shall be governed by and construed in accordance with the Applicable Laws of India including the foreign exchange laws.

18.2 The Courts in Mumbai and courts subordinate to it shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this Scheme.

**18.3 Foreign Exchange Laws**

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

18.4 Nothing in this clause shall however limit the right of the Company to bring proceedings against any Employee in connection with this Scheme:

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

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**19. Notices**

- 19.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this Scheme shall be in writing and shall be sent to the address of the Option Grantee available in the records of the Company; or delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; or emailing the communication(s) to the Option Grantee at the official email address provided, if any, during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.
- 19.2 Any communication to be given by an Option Grantee to the Company in respect of Scheme shall be sent at the address mentioned below or e - mailed at:

**Designation** : Company Secretary & Compliance Officer

**Address** : 91, Kalpataru Synergy, Opp. Grand Hyatt, Santacruz (East), Mumbai, Maharashtra, India, 400055

**20. Listing of the Shares**

- 20.1 The Company shall not Grant Options under the Scheme unless it obtains in-principle approval from the Stock Exchange(s) where it is listed.
- 20.2 The Company shall appoint a Merchant Banker for the implementation of the Scheme and for the purpose of obtaining in-principle approval from the Stock Exchange(s), where it is listed.
- 20.3 Subject to the approval of the Stock Exchange(s), the Shares issued and allotted on Exercise of the Options shall be listed on the Stock Exchange(s) on which the Shares of the Company are listed.

**21. Severability**

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

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**22. Confidentiality and non-disclosure**

- 22.1 An Option Grantee must keep the details of the Scheme and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, co-employees or with any employee and/ or associate of the Company or that of its affiliates. In case Option Grantee is found in breach of this confidentiality clause, the Company has undisputed right to terminate any agreement and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality clause shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this clause, the Committee shall have the authority to deal with such cases as it may deem fit.
- 22.2 On acceptance of the Grant of Option offered by the Company, it shall be deemed that as if the Option Grantee has authorized the Company to disclose information relating to the Option Grantee during the process of implementation of the Scheme or while availing any consulting or advisory services thereof or any other incidental services to its officers, professional advisors, agents, and consultants on a need-to-know basis.

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