

**Motilal Oswal Financial Services Limited**

**Employee Stock Option Scheme – IX**

### **Employee Stock Option Scheme - IX**

This Scheme has been formulated by the Board of Directors of the Company in its meeting held on April 29, 2021 approved by Shareholders on August 09, 2021 in accordance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, ("**SEBI Regulations**") (as amended from time to time). The Scheme shall come into force w.e.f. April 29, 2021.

#### **1. Name, Objective and Term of the Plan**

- 1.1 This Plan shall be called the "Motilal Oswal Financial Services Limited - Employee Stock Option Scheme - IX (ESOS - IX/Scheme)".
- 1.2 The objective of the ESOS - IX is to provide an additional incentive to the employees in the form of Options to receive the equity shares of the Company at a future date. The ESOS is aimed at attracting, retaining and rewarding Employees of the Company and its holding/subsidiary companies.
- 1.3 The ESOS - IX shall continue to be in force until:-
  - (i) its termination by the Board of Directors or the Nomination and Remuneration Committee ; or
  - (ii) the date on which all of the options available for issuance under the ESOS - IX have been issued and exercised.
- 1.4 The Board of Directors or the Nomination and Remuneration Committee may subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the ESOS - IX.

#### **2. Definitions and Interpretation**

##### **2.1 Definitions**

The terms defined in this ESOS - IX shall for the purposes of this ESOS - IX, have the meanings herein specified and terms not defined in this ESOS - IX shall have the meanings as defined in the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Companies Act, 2013, the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 and SEBI (Share Based Employee Benefits Regulations), 2014 or any statutory modifications or re-enactments thereof, as the case may be.

- i. "**Agreement**" means the Employee Stock Option Agreement between the Company and the Option Grantee evidencing the terms and conditions of an individual Employee Stock Option grant. The Agreement is subject to the conditions of - ESOS IX.
- ii. "**Applicable Law**" means the legal requirements relating to Employee Stock Options, including, but not limited to the Companies Act, 2013, SEBI (Share Based Employee Benefits Regulations), 2014 or any statutory modifications or re-enactments thereof, as the case may be and all relevant tax, securities,

exchange control or corporate laws of India or any relevant jurisdiction or of any stock exchange on which the shares of the Company may be listed.

- iii. **“Board”** means the Board of Directors of the Company and includes a Committee of the Board which the Board may have constituted or hereinafter to be constituted.
- iv. **“Companies Act”** means the Companies Act, 2013 and includes any statutory modifications or re-enactment thereof.
- v. **“Company”** means Motilal Oswal Financial Services Limited (MOFSL).
- vi. **“Director”** means a member of the Board.
- vii. **“Eligibility Criteria”** means the criteria as may be determined from time to time by the Nomination and Remuneration Committee for granting the Employee Stock Options to the Employees.
- viii. **“Eligible Employee(s) or Beneficiary (ies)”** means all Employees to whom an Option is granted under the ESOS - IX or those Employees who satisfy the Eligibility Criteria for Grant of Options as the case may be.
- ix. **“Employee”** means:-
  - (a) a permanent employee of the company who has been working in India or outside India; or
  - (b) a director of the company, whether a whole time director or not but excluding an independent director; or
  - (c) Employees of the Company, who are citizen of the countries to whom issue/ grant of Stock Options is restricted under the foreign exchange rules and regulation in India, upon obtaining prior permission of the Reserve Bank of India or such other authority, as may be applicable.
  - (d) Other persons as may from time to time be allowed to be eligible for the benefits of ESOS - IX under applicable laws and regulations prevailing from time to time but excluding the persons not eligible to participate as per the Act and the SEBI Regulations.

For the avoidance of doubt, it is clarified that permanent employees shall mean all employees who are on the payroll of the Company or of the subsidiary company or of the holding company, as the case may be.

- x. **“Employee Stock Option” or “Option”** means the option given to the directors, officers or employees of a company or subsidiary company(ies) or holding company(ies), if any, which gives such directors, officers or employees, the benefit or right but not obligation to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined exercise price;

- xi. **“Equity Shares” or “Shares”** means an Equity Share of the Company of the face value of Re. 1 each or where the Equity Shares has been split up into par value of less than Re. 1 or consolidated into a par value of more than Re. 1, then the Shares of such denominations, arising out of the exercise of Employee Stock Options granted under the ESOS - IX.
- xii. **“Exercise”** of an Option means expression of an intention by an Eligible Employee to the Company to purchase the Shares underlying the Options vested in him/her, in pursuance of the ESOS - IX, in accordance with the procedure laid down by the Nomination and Remuneration Committee for Exercise of Options.
- xiii. **“Exercise Period”** means such time period after vesting within which the Eligible Employee should Exercise the Options vested in him/her in pursuance of the ESOS - IX.
- xiv. **“Exercise Price”** means the price at which the Eligible Employee is entitled to acquire the Equity Shares pursuant to the Options granted and vested in him/her under the ESOS - IX.

Exercise Price shall be the closing price of the Company's Equity Shares, prior to the date of board/committee meeting for grant of the Options, on the Stock Exchanges where the highest trading volume is recorded, discounted/increased by such percentage as may be determined by the Nomination and Remuneration Committee or such other price as may be determined by Nomination and Remuneration Committee on confirming to the accounting policies.
- xv. **“Independent Director”** means a Director within the meaning of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- xvi. **“Grant”** means issue of Options to the Employees under the ESOS - IX.
- xvii. **“Grant Date/Date of grant”** means the date of the meeting of the Nomination and Remuneration Committee in which grant of Options to the employees are approved or such other date as may be decided by the Nomination and Remuneration Committee.
- xviii. **“Holding Company”** means the Holding Company(ies) of the Company as defined under Section 2(46) of the Companies Act, 2013.
- xix. **“Subsidiary Company”** means the Subsidiary Company(ies) of the Company as defined under Section 2(87) of the Companies Act, 2013.
- xx. **“Letter of Grant”** means the letter issued by the Company intimating the Employee of the Options granted to him/her for acquiring a specified number of Equity Shares at the Exercise Price.

- xxi. **“Long Leave”** means continues leave taken by the Eligible Employee in excess of 90 days or as determined by the Nomination and Remuneration Committee.
- xxii. **“Option Grantee”** means an Employee to whom Options are granted, having a right but not an obligation to Exercise the Option(s) in pursuance of the ESOS - IX.
- xxiii. **“Permanent Incapacity”** means ‘total disablement’ as defined under the Workmen’s Compensation Act, 1923 and as determined by the Nomination and Remuneration Committee based on a certificate of a medical expert identified by the Nomination and Remuneration Committee.
- xxiv. **“Promoter”** means the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 & as defined under the Companies Act, 2013 (as amended from time to time)
- xxv. **“Promoter Group”** means the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 & as defined under the Companies Act, 2013 (As amended from time to time)
- xxvi. **“Stock Exchange”** means the BSE, NSE or any other Stock Exchange in India on which the Company’s equity shares are listed or to be listed.
- xxvii. **“SEBI Regulations”** means and includes the Securities and Exchange Board of India (Share Based Employee Benefits) Regulation 2014, as amended and includes all regulations and clarifications issued there under
- xxviii. **“Nomination and Remuneration Committee”** means the Committee of Directors as constituted by the Board of Directors of the Company and entrusted with the authority to formulate, implement and administer the Employee Stock Option Scheme(s) of the Company.
- xxix. **“Retirement”** means retirement as per the rules and policies of the Company.
- xxx. **“Scheme/Plan/ESOS - IX”** means Motilal Oswal Financial Services Limited Employee Stock Option Scheme - IX, under which the Company is authorised to Grant Options.
- xxxi. **“Vesting”** means earning by the Option Grantee, of the right to Exercise the Stock Options granted to him/her in pursuance of the ESOS - IX.
- xxxii. **“Vesting Condition”** means any condition subject to which the Options Granted would vest in an Option Grantee.
- xxxiii. **“Vesting Period”** means the period during which the Vesting of the Employee Stock Option granted to an Employee, in pursuance of the ESOS - IX takes place.

- xxxiv. **“Vested Option”** means an Option in respect of which the prescribed Vesting Conditions have been satisfied and the Option Grantee has become eligible to Exercise the Option.
- xxxv. **“Unvested Option”** means an Option in respect of which the prescribed Vesting Conditions have not been satisfied and as such, the Option Grantee has not become eligible to Exercise the Option.

## 2.2. **Interpretation**

In this Plan, unless the contrary intention appears:

- a) the clause headings are for ease of reference only and shall not be relevant to interpretation;
- b) a reference to a clause number is a reference to its sub-clauses;
- c) words in singular number include the plural and vice versa;
- d) words importing a gender include any other gender;
- e) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.
- f) the term Company shall, wherever applicable, include the present and future subsidiaries/ holding companies, as the case may be.

## 3. **Authority and Ceiling**

The Members vide Special Resolution(s) passed at the Annual General Meeting of the Company held on August 09, 2021 had resolved to introduce **‘Motilal Oswal Financial Services Limited Employee Stock Option Scheme - IX’** and to issue to the Employees under the ESOS - IX , Employee Stock Options exercisable into not more than 30,00,000 Equity Shares of the face value of Re. 1/- each, with each such Option enabling the Option Grantee to apply for one Equity Share of the Company, in accordance with the terms and conditions of such Grant. If an Employee Stock Option expires or becomes unexercisable without having been exercised in full, the unexercised Options, which were subject thereto, shall become available for future Grants. The maximum number of Options to be granted to any one Employee in ESOS - IX shall not in any case exceed 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of stock options.

The maximum number of Options to be granted to Non-executive and Non Independent Directors will not exceed 2,50,000 Options in any financial year and the total number of Options to be granted to Non-executive and Non-Independent Directors will not exceed 10,00,000 options in the aggregate.

- 3.1 Where Shares are issued consequent upon exercise of the Options under the ESOS - IX, the upper limit on the number of Shares referred to in Clause 3 above will stand reduced to the extent of such Shares issued.

- 3.2 In case of any bonus and/or rights issue, Equity Shares are issued by the Company or the Equity Shares of the Company are consolidated into par value of more than Re. 1 each split up reducing the face value per Equity Share, then the Nomination and Remuneration Committee may make a fair and reasonable adjustment to the number of outstanding Options and/or to the Exercise Price.

Similarly, if the Company takes any action, which in the opinion of the Nomination and Remuneration Committee requires any adjustment to the number of outstanding Options and/or the Exercise Price, then the Nomination and Remuneration Committee may make a fair and reasonable adjustment to the number of outstanding Options and/or to the Exercise Price.

The Options granted herewith shall not be affected by any takeover by/of, merger with, or amalgamation of any other entity with the Company or in the event of restructuring of the capital of the Company. In such an event, the Nomination and Remuneration Committee would have the authority to alter all or any of the terms relating to the Grant and would also have the authority to do all such acts and deeds as it may deem fit in its absolute discretion and as permitted under the Applicable Law, so to ensure that the benefits under the Grant are passed on to the Eligible Employees.

#### **4. Administration**

- 4.1 The ESOS - IX shall be administered by the Nomination and Remuneration/ Compensation Committee. All questions of interpretation of the ESOS - IX or any Employee Stock Option shall be determined by the Nomination and Remuneration Committee and such determination shall be final and binding upon all persons having an interest in the ESOS - IX or such Employee Stock Option.
- 4.2 Subject to the terms of the Special Resolution passed by the shareholders of the Company at the Annual General Meeting of the Company held on August 09, 2021 approving the introduction of ESOS - IX and issue of Shares to the Employees under an ESOS - IX and the Applicable Laws, the Nomination and Remuneration Committee in its absolute discretion has been authorised to determine all the terms governing the ESOS - IX including but not limited to:-
- (a) determining the Eligible Employees to whom the Options are to be granted;
  - (b) the time when the Options are to be granted;
  - (c) the number of tranches in which the Options are to be granted and the number of Options to be granted in each such tranche;
  - (d) the quantum of Employee Stock Options to be granted at various point of time under the ESOS - IX per Employee, subject to the ceiling as specified in Para 3;
  - (e) the number of Options to be granted to each Employee;
  - (f) Exercise price of the option;
  - (g) the terms and conditions subject to which the Options granted would vest in the Employee;



- (h) the Schedule for Vesting of Employee Stock Options;
- (i) the conditions under which the Employee Stock Option vested in Employees may lapse in case of termination of employment for misconduct or poor performance;
- (j) the procedure for making a fair and reasonable adjustment to the number of Employee Stock Options and to the Exercise Price in case of a corporate action such as rights issues, bonus issues, merger, sale of division and others taking into consideration the following:-
  - (i) The number of options and the price of ESOS - IX shall be adjusted in a manner such that total value of the ESOS - IX remains the same after the corporate action;
  - (ii) For this purpose, best global practices in this area including the procedures followed by the derivative markets in India and abroad shall be consideredand
  - (iii) The Vesting period and the life of options shall be left unaltered as far as possible to protect the rights of the Option Grantee.
- (k) the procedure and terms for the Grant, Vesting and Exercise of Employee Stock Option, including Employees who are on long leave;
- (l) the procedure for cashless exercise of Employee Stock Options, if required;
- (m) approve forms, writings and/or agreements for use in pursuance of the ESOS - IX ;
- (n) frame any other byelaws, rules or procedures as it may deem fit for administering ESOS - IX;
- (o) Frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the Company and its Employees, as applicable.

The Board has also framed policies and systems for the purpose of ensuring that there is no violation of the provisions of Companies Act, 2013 and the rules thereunder and all other applicable laws and its regulations by any Employee.

## **5. Eligibility and Applicability**

- 5.1 Only Employees as defined hereinbefore are eligible for grant of Employee Stock Options under ESOS - IX. The appraisal process for determining the Eligible Employees would be specified by the Nomination and Remuneration Committee and will be based on the various parameters like tenure of association with the



Company, performance during the previous years, contribution towards strategic growth, contribution to team building and succession, cross functional relationship, Corporate governance, Company's value, etc. and /or any such other criteria that may be determined by the Nomination and Remuneration Committee in its sole discretion from time to time.

- 5.2 The Scheme shall be applicable to the Company, its present and future subsidiary company(ies)/holding company(ies) and may be granted to the Employees as determined by the Nomination and Remuneration Committee in its discretion from time to time.

**6. Grant of options**

- 6.1 Unless otherwise provided by the Nomination and Remuneration Committee at the time of grant of the Employee Stock Options, the Employee Stock Options granted to an Employee shall be subject to the terms and conditions set forth in this Plan, the Letter of Grant and the Agreement, if any, approved by the Nomination and Remuneration Committee and entered into between the Company and the Employee.
- 6.2 Grant of Employee Stock Options may be evidenced by the Employee Stock Option Agreement in such form, as the Nomination and Remuneration Committee shall from time to time determine. Such Agreement, if any, shall be deemed to incorporate all of the terms of the ESOS - IX, as if the same were set out therein.
- 6.3 No amount shall be paid by the Eligible Employee at the time of Grant of Options.

**7. Vesting of the Options Granted**

Options granted under the ESOS - IX would vest, in one or more tranches, after expiry of period of 1 year from the date of the Grant and not later than 6 years from the date of Grant of such Options in case of time vesting, as may be specified in the Letter of Grant. Vesting of Options would be subject to continued employment with the Company and/ holding company(ies)/ subsidiary company(ies), and thus the Options would vest in passage of time. In addition to this, the Nomination and Remuneration Committee may also specify certain performance parameters subject to which the options would vest. In case of performance based vesting, the options would vest on achievement of performance parameters irrespective of the time horizon. The specific Vesting schedule and conditions subject to which Vesting would take place would be outlined in the Letter of Grant given to the Option Grantee at the time of Grant of Options.

**8. Procedure of Exercising**

- a) The Options which are vested in an Employee may be exercised by him/her within the Exercise Period at one time or in such number of tranche(s) as they may desired subject to the conditions, if any, prescribed by the Nomination and Remuneration Committee and in such manner as may be specified in the Letter of Grant.

- b) An Employee wishing to exercise the Options vested in him/her shall submit an application in the specified format to the Company.
- c) In case the Employee wishes to exercise the Options, the Employee shall submit the application form to the Company along with a cheque/demand draft for the Exercise Price being the number of Options exercised multiplied by the Exercise Price per Equity Share as indicated in the Letter of Grant. Such cheque/demand draft should be drawn in favour of "**Motilal Oswal Financial Services Limited**". The employees also have an option to make the online payment of application money.
- d) Subject to the provisions of the Scheme, the Options vested in the Employees shall be exercised by him/her within a period of 36 months from the date of vesting or such other extended period as may be decided by the Nomination and Remuneration Committee and the Options remaining so unexercised thereafter, shall lapse. In case of termination of the services of the Employee due to resignation etc., the Options granted but not vested in him/her shall automatically lapse forthwith on submission of the resignation by the Eligible Employee and the options vested shall be exercised by the employees within a period of 12 months from the date of resignation or 36 months from date of vesting, whichever is earlier or such extended period as may be decided by the Nomination and Remuneration Committee.
- e) For all Options exercised during a calendar month, the Board (which term shall be deemed to include any Committee which the Board may have may constituted or hereinafter constitute to allot the shares on exercise of Stock Options) shall issue and allot the relevant number of Equity Shares within 60 days from the date of exercise of Options and shall credit the relevant number of Equity Shares to their designated depository account, if any. The aforesaid period of 60 days would be subject to review by the Nomination and Remuneration Committee from time to time.
- f) In the event of termination of the employment of an Option Grantee due to misconduct including breach of policies of the Company and its subsidiary company(ies)/holding company(ies) or the terms of employment or poor performance, all Employee Stock Options granted to such Employee, including the Vested Options which were not exercised at the time of such breach shall lapse with effect from the date of such breach; the date of such breach shall be determined by the Nomination and Remuneration Committee, and its decision on this issue shall be final and binding.
- g) Notwithstanding anything contained in (d) above, in the event of separation from employment for reasons of normal retirement or a retirement specifically approved by the Company or its subsidiary company(ies)/holding company(ies), as the case may be:-
  - i. all Vested Options should be exercised by the Option Grantee within a period of 12 months from the date of retirement or 36 months from date of vesting, whichever is earlier or such extended period as may be decided by the Nomination and Remuneration Committee; and

- ii. all Unvested Options will lapse as on the date of such retirement, unless otherwise determined by the Nomination and Remuneration Committee whose determination will be final and binding.
- h) Notwithstanding anything contained herein, in case of death or permanent disability of any Eligible Employee whilst in service of the Company, the Options granted but not vested in that Eligible Employee shall vest, immediately on the date of death of employee(s), in the legal heirs or the person(s) nominated by such Eligible Employee in case of death. Further, in case of permanent disability, the options granted but not vested shall vest immediately in Eligible Employee himself/herself as on the date of occurrence of permanent disability. These Options shall be exercised by the nominee(s)/Eligible Employee in accordance with the Scheme or such other extended period as may be decided by the Nomination and Remuneration Committee. The nomination shall be made in the form prescribed by the Company for this purpose. The decision whether or not an Eligible Employee is permanently disabled will be taken by the Nomination and Remuneration Committee and such decision shall be final and binding on such Employee. All vested Options may be exercised by the Option Grantee's nominee or legal heir within the exercise period.
- i) In case of the death of any Eligible Employee who has not nominated any person(s), the Options will vest in and shall be exercised by the successor(s) of such Eligible Employee in accordance with the provisions of the Scheme, provided however that the successor(s) shall be required to produce to the Company all such documents as may be required by the Company to prove the succession to the assets of the deceased Eligible Employee. In case the proof of the succession is not produced to the Company within one year from the date of death of the Eligible Employee or such further time as the Nomination and Remuneration Committee may permit in its absolute discretion, the Options shall lapse.
- j) In the event of abandonment of employment by an Option Grantee without the consent of the Company or its subsidiary company(ies) or holding company(ies), as the case may be, all Employee Stock Options granted to such employee, including the Vested Options, which were not exercised at the time of abandonment of employment, shall stand terminated with immediate effect. The Nomination and Remuneration Committee, at its sole discretion shall decide the date of abandonment by an Employee and such decision shall be final and binding on all concerned.
- k) In case an Eligible Employee has been suspended or in case of an Eligible Employee against whom an enquiry is being conducted for any reason, all Options shall stand suspended and shall not vest nor shall be exercisable until the enquiry is completed. If the Eligible Employee is found guilty of misconduct under any such enquiry, the provisions of sub-clause (j) above shall apply.

**9. Other Terms and Conditions**

- 9.1 The Employee shall not have a right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of Employee Stock Options granted, till Shares underlying such Employee Stock Options are allotted on Exercise of such Employee Stock Option.
- 9.2 If the Company issues bonus or rights shares, the Option Grantee will not be eligible for the bonus or rights shares in the capacity of an Option Grantee, except that the number of options or the Exercise Price, or both, may be adjusted in terms of Clause 4.2.
- 9.3 Employee Stock Options shall not be transferable to any person except in the event of death or permanent disability of the Option Grantee, in which case Clause 8(h) would apply. However, there will be no restriction on transferability of the Shares, which may be issued / allotted on Exercise of the Options Granted pursuant to this Scheme.
- 9.4 No person other than the Employee to whom the Employee Stock Option is granted shall be entitled to Exercise the Employee Stock Option except in the event of the death or permanent disability of the Option Grantee, in which case Clause 8(h) would apply.
- 9.5 The Employee Stock Option shall not be pledged, hypothecated, mortgaged or otherwise encumbered or alienated in any manner whatsoever.
- 9.6 The Stock Options which have been lapsed and which might be lapsed in future under ESOS - IX would be re-granted by the Nomination and Remuneration Committee of the Company as per the discretion of the said Committee.
- 9.7 The Shares issued to an Eligible Employee under this Scheme would rank pari-passu with the existing Shares of the Company save and except that such Shares shall carry the right to receive either the full dividend or a pro rata dividend (if any) from the date of allotment/transfer, as may be determined by the Board, declared for the financial year in which the new Shares are allotted/transferred.

**10. Taxation**

The Company shall have the right to deduct from the employee's salary, any of the employee's tax obligations arising in connection with the Employee Stock Option or the Shares acquired upon the Exercise thereof. The Company shall have no obligation to credit shares until tax deduction obligations, if any, have been satisfied in respect of/by the Option Grantee.

The Tax implications on Employees' Stock Options pertaining to Income Tax and all other taxes as per the provisions of the Income Tax Act, 1961 and applicable laws would be borne and paid entirely by the Option Grantee. The Company shall recover any tax payable or paid of whatsoever nature, which may arise through the Grant, Vesting and/or Exercise of these Stock Options to the Option Grantee.

**11. Variation of Terms of ESOS - IX**

The Company may by a special resolution vary the terms of the ESOS - IX in respect of the Options which have yet not been exercised by the Employees provided such variation is not prejudicial to the interest of the Option Grantee.

Further, the Company may re-price the Options which have yet not been exercised by the Employees if the Options are rendered unattractive due to fall in the price of the Shares of the Company after obtaining approval of member by a special resolution.

The Company will not vary the terms of the ESOS - IX in any manner which may be prejudicial or detrimental to the interests of the Employee.

**12. Method of valuation**

The Scheme provides that employees are granted an option to subscribe to equity share of the Company that vest on the satisfaction of vesting conditions. The fair value of options granted under the Scheme is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined reference to the fair value of the options granted excluding the impact of any service conditions. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options that are expected to vest based on the service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. As the Scheme provides for issue of shares to be offered to employees other than existing shareholders of the Company, consent of the shareholders is being sought pursuant to section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and as per the ESOP Regulations. On exercise of vested Stock Options by the employees / directors, subject to the terms of the Scheme, the Board of Directors or its Committee will approve the issue and allotment of Equity Shares to the Employees / Directors.

**13. Miscellaneous**

**13.1 Government Regulations**

This ESOS - IX shall be subject to all Applicable Laws and approvals from governmental authorities.

**13.2 Inability to obtain Authority/Approval**

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

**13.3** The Grant of an Employee Stock Option does not form part of the Option Grantee's entitlement to Compensation or benefits pursuant to his contract of employment nor does the existence of a contract of employment between any person and the

Company or its subsidiary or holding company(ies), give such person any right, entitlement or expectation to have an Employee Stock Option granted to him in respect of any number of shares or any expectation that an Employee Stock Option might be granted to him whether subject to any condition or at all.

- 13.4** Neither the existence of this Plan nor the fact that an individual has on any occasion been granted an Employee Stock Option shall give such individual or any other individual any right, entitlement or expectation that he has or will in future have any such right, entitlement or expectation to participate in this Plan by being granted an Employee Stock Option on any occasion.
- 13.5** The rights granted to an Option Grantee upon the Grant of an Employee Stock Option shall not entitle 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 or its holding company(ies)/ subsidiary company(ies), as the case may be, for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).
- 13.6** The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he/she may suffer by reason of being unable to Exercise an Employee Stock Option in whole or in part.

**14. Notices**

All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOS - IX shall be in writing and shall be sent to the address of the Option Grantee available in the records of the Company and any communication to be given by an Option Grantee to the Company in respect of the ESOS - IX shall be sent to the address mentioned below or such other address as may be notified from time to time:

**Motilal Oswal Financial Services Limited  
Motilal Oswal Tower, Rahimtullah Sayani Road,  
Opposite Parel ST Depot, Prabhadevi, Mumbai-400025**

**15. Governing Law and Jurisdiction**

- 15.1** The terms and conditions of the ESOS - IX shall be governed by and construed in accordance with the laws of India.
- 15.2** The Courts of Mumbai, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOS - IX. All disputes, differences, claims and questions which shall arise between the COMPANY and the ELIGIBLE EMPLOYEES in relation to the ESOS - IX, shall be amicably settled. In the event of the failure to do so, the same shall be settled by arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The site of the Arbitration shall be Mumbai, Maharashtra, India. The language of the Arbitration shall be in English.



15.3 Nothing in this Clause will however limit the right of the Company to bring proceedings against any Employee in connection with this ESOS - IX:

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

**16 Income Tax Rules & Accounting Policies.**

The Income Tax Laws and Rules in force will be applicable. In respect of the **ESOS - IX**, the **COMPANY** shall conform to the applicable Accounting Policies.

**17. Representation**

The Company does not make any representation regarding the performance of the Company or the future value of the Equity Shares. Each Employee should take the decision to Exercise the Options Granted to him/her after considering all the provisions of this ESOS - IX and other relevant factors.

This represents the complete scheme for ESOS - IX.