



**HDFC LIFE INSURANCE COMPANY LIMITED**

EMPLOYEE STOCK OPTION SCHEME – 2018

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**1. Name, Objective and Term of the Scheme**

- 1.1 This employee stock option scheme shall be called the 'Employee Stock -2018' ("ESOS - 2018"/ "Scheme").
- 1.2 The objective of ESOS – 2018 is to reward the key Employees for their association, dedication and contribution to the goals of the Company. The Company intends to use this Scheme to attract and retain talents by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The Company views Employee Stock Options as instruments that would enable the Employees to get a share in the value they create for the Company in the years to come.
- 1.3 The ESOS - 2018 is established with effect from July 20, 2018 being the date of its approval by the members of the Company by way of a special resolution and shall continue to be in force until (i) subject to Applicable Laws, its termination by the Board / Nomination & Remuneration Committee, or (ii) the date on which all of the Employee Stock Options available for issuance under the ESOS - 2018 have been granted and exercised.

**2. Definitions and Interpretation**

**2.1 Definitions**

- (i) **"Applicable Law"** means every law relating to equity-based compensation schemes, including, without limitation to, the Companies Act, the SEBI Act, the SEBI SBEB Regulations, as amended 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 are listed or quoted.
- (ii) **"Board"** means the Board of Directors of the Company.
- (iii) **"Companies Act"** means the Companies Act, 2013 and rules made thereunder and includes any statutory modifications or re-enactments thereof.
- (iv) **"Company"** means HDFC Standard Life Insurance Company Limited, a Company incorporated under the provisions of the Companies Act, 1956 having its registered office at 13th Floor, Lodha Excelus, Apollo Mills Compound, N M Joshi Marg, Mahalaxmi, Mumbai-400011 Maharashtra, India.
- (v) **"Company Policies/Terms of Employment"** means the Company's policies for the Employees and the terms of employment as contained in the employment letter issued to the Employee at time of joining the employment and the Company's employee

handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other employees and customers. Company Policies/Terms of Employment in relation to Option Grantees working with Subsidiary Company shall mean similar policies or terms of employment issued by such Subsidiary Company.

- (vi) **“Director”** means a member of the Board of the Company.
- (vii) **“ESOS - 2018”** means this Employee Stock Option Scheme - 2018 under which the Company is authorized to grant Employee Stock Options to the Employees.
- (viii) **“Eligibility Criteria”** means the criteria as may be determined from time to time by the Nomination & Remuneration Committee for granting the Employee Stock Options to the Employees.
- (ix) **“Employee”** means (i) a permanent employee of the Company working in India or outside India; or (ii) a Director of the Company, whether whole-time or not; or (iii) an employee, as defined in sub-clauses (i) or (ii) in this Para, of a Subsidiary Company, in India or outside, but excludes-
  - a. an employee who is a Promoter or belongs to the Promoter Group;
  - b. a Director who either by himself or through his relatives or through any-body corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company; and
  - c. an independent director within the meaning of the Companies Act and/ or Regulation 16(b) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.
- (x) **“Employee Stock Option”** means the option granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the Shares underlying the option at a pre-determined price.
- (xi) **“Exercise”** of an Option means expression of an intention by an Option Grantee to acquire the Shares underlying the Options vested in him, in pursuance of this ESOS - 2018, in accordance with the procedure laid down by the Company for Exercise of Options.
- (xii) **“Exercise Period”** means such time period after Vesting within which the Option Grantee should exercise the Options vested in him in pursuance of this ESOS - 2018.

- (xiii) **“Exercise Price”** means the price payable by the Option Grantee in order to exercise the Options granted to him as determined under Sub-clause 8.1 and specified in the Grant letter.
- (xiv) **“Grant”** means the process by which the Company issues Options to the Employees under the ESOS - 2018 and the term “Grant” also refers to issue of Options.
- (xv) **“Market Price”** means the latest available closing price of Shares on the recognized Stock Exchange on which the Shares of the Company are listed on the date immediately prior to the meeting of Nomination & Remuneration Committee in which Grant is made.
- Explanation- If Shares are listed on more than one Stock Exchange, then the closing price of the Shares on the Stock Exchange having highest trading volume shall be considered as the Market Price.
- (xvi) **“Misconduct”** means disregard of the Company’s bye-law, rules, regulations and Company Policies/Terms of Employment and includes mismanagement of position by action or inaction, alleged wrongdoing, misfeasance, or violation of any rule, regulation or law which was expected to be abided by the Employee.
- (xvii) **“Nomination & Remuneration Committee”** means the Nomination & Remuneration Committee of the Board formed as per requirements of the Companies Act consisting of a majority of independent directors constituted or re-constituted by the Board from time to time *inter alia* to administer ESOS - 2018 or any other equity-based compensation plans/ schemes of the Company.
- (xviii) **“Options”** means Employee Stock Option within the meaning of this ESOS - 2018.
- (xix) **“Option Grantee”** means an Employee who has been granted Employee Stock Option(s) in pursuance of this ESOS - 2018 and has accepted such Grant in such form as may be specified. It shall also deem to include a nominee or legal heir of a deceased Option Grantee, as the context requires.
- (xx) **“Permanent Incapacity”** means any disability 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 Employee was capable of performing immediately before occurrence of such disability, as determined by the Nomination & Remuneration Committee based on a certificate of a medical expert identified by the Board.

- (xxi) **“Promoter”** has the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- (xxii) **“Promoter Group”** has the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- Provided that** where the Promoter or Promoter Group of the Company is a body corporate, the Promoters of that body corporate shall also be deemed to be Promoters of the Company.
- (xxiii) **“Retirement”** means retirement as per the Company Policies/Terms of Employment.
- (xxiv) **“SEBI Act”** means the Securities & Exchange Board of India Act, 1992 as amended, and includes all regulations and clarifications issued there under.
- (xxv) **“SEBI SBEB Regulations”** means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended and includes all regulations and clarifications issued there under.
- (xxvi) **“Shares”** means equity shares of the Company of face value of Rs. 10/- each fully paid up comprising in the equity share capital of the Company including that arising out of the Exercise of Options granted under the ESOS - 2018.
- (xxvii) **“Stock Exchange”** means the National Stock Exchange of India Limited, BSE Limited, or any other stock exchange in India on which the Company’s Shares are listed.
- (xxviii) **“Subsidiary Company”** means any present or future subsidiary company of the Company, as defined in the Companies Act.
- (xxix) **“Unvested Options”** 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 Options.
- (xxx) **“Vested Options”** means an Option in respect of which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible to Exercise the rights.
- (xxxi) **“Vesting”** means earning by the Option Grantee, of the right to exercise the Options granted to him in pursuance of this ESOS - 2018.

(xxxii) **“Vesting Condition”** means the conditions subject to which the Options granted would vest in an Option Grantee.

(xxxiii) **“Vesting Period”** means the period during which the vesting of the Options granted to the Option Grantees in pursuance of this ESOS - 2018 takes place.

## 2.2 Interpretation

In this ESOS - 2018, 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; and
- (e) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.

## 3. Authority and Ceiling

3.1 The members of the Company have approved ESOS - 2018 vide special resolution dated July 20, 2018 authorizing the Nomination & Remuneration Committee to issue to the Employees, not exceeding 31,00,000 (Thirty-one Lakh) Employee Stock Options under ESOS - 2018, in one or more tranches, from time to time, exercisable into not more than 31,00,000 (Thirty-one Lakh) Shares of face value of Rs. 10 each fully paid up, with each such Option conferring a right upon the Option Grantees to apply for one Share in the Company to be issued by the Company upon Exercise thereof, in accordance with the terms and conditions as may be determined by the Nomination & Remuneration Committee in accordance with the provisions of ESOS - 2018, SEBI SBEB Regulations and other Applicable Laws.

3.2 The maximum number of options that may be granted per employee and in aggregate shall vary depending upon the designation and the appraisal/ assessment process. The Board reserves the right to decide the number of options to be granted and the maximum number of options that can be granted to each employee. However, the grant of options to identified Employees, during any one year, should be equal to or less than one percent of the then issued capital of the Company at the time of grant of options.

3.3 If an Option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options pool and shall become available for future grants, subject to compliance with the provisions of the Applicable Laws.

- 3.4 Where Shares are issued consequent upon Exercise of an Option under the ESOS - 2018, the maximum number of Shares that can be issued under ESOS - 2018 as referred to in Sub-clause 3.1 above shall stand reduced to the extent of such Shares issued.
- 3.5 In case of a Share split where the face value of the Shares is reduced below Rs. 10/-, the maximum number of Options available for being granted under ESOS - 2018 shall stand modified accordingly, so as to ensure that the cumulative face value (No. of Shares X Face value per Share) prior to such split remains unchanged after the Share split.
- 3.6 In case of a consolidation where the face value of the Shares is increased above Rs. 10/-, the maximum number of Shares available for being granted under ESOS - 2018 shall stand modified accordingly, so as to ensure that the cumulative face value (No. of Shares X Face value per Share) prior to such consolidation remains unchanged after the Share consolidation.

#### **4. Supervision and Administration**

- 4.1 This ESOS - 2018 shall be supervised and administered by the Nomination & Remuneration Committee. All the functions relating to superintendence and administration of this ESOS - 2018 shall stand possessed with the Nomination & Remuneration Committee in which case the rights, powers, duties or liabilities of the Board to the extent delegated along with that contemplated under SEBI SBEB Regulations shall be discharged by the Nomination & Remuneration Committee.
- 4.2 All questions of interpretation of this ESOS - 2018 shall be determined by the Nomination & Remuneration Committee and such determination shall be final and binding upon all persons having an interest in this ESOS - 2018.
- 4.3 The Nomination & Remuneration Committee shall meet as required for the purposes of ESOS - 2018.
- 4.4 The Nomination & Remuneration Committee shall, in accordance with this ESOS - 2018 and Applicable Laws, determine the following:
- (i) The quantum of Employee Stock Options to be granted under this ESOS - 2018 per Employee, subject to the ceiling as specified in Para 3.1;
  - (ii) The Eligibility Criteria;
  - (iii) The time when the Options are to be granted;
  - (iv) The number of Options to be granted to each Option Grantee;
  - (v) The terms and conditions subject to which the Options granted would vest in the Option Grantee;
  - (vi) The date of Vesting of the Options granted;



- (vii) Obtaining permissions from, making periodic reports to regulatory authorities, as may be required and ensuring compliance with all guidelines applicable in this regard;
  - (viii) 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:
    - (a) 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
    - (b) 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.
  - (ix) The procedure and terms for the Grant, Vesting and Exercise of Options in case of Option Grantees who are on a long leave; and
  - (x) Approve forms, writings and/or agreements for use in pursuance of this ESOS - 2018.
- 4.5 Nomination & Remuneration Committee shall frame suitable policies and procedures to ensure that there is no violation of the any securities laws including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating To Securities Market) Regulations, 2003 or any statutory modification or re-enactment of these regulations by the Company, Subsidiary Company or any of its Employees, as applicable.
- 5. Eligibility and Applicability**
- 5.1 Subject to fulfillment of basic criteria of being an Employee within the meaning of this Scheme, such Employees in the grade of M1 (Associate Vice President) and above, and such other employees irrespective of the Grade as may be determined by the Nomination & Remuneration Committee, will be entitled to participate in the Scheme and will be granted Options depending on the performance/ potential feedback of the management of the Company to the Nomination & Remuneration Committee in accordance with the performance criteria decided by the Nomination & Remuneration Committee and the management of the Company. Whilst granting the Options to the Employees, Nomination & Remuneration Committee would inter alia consider grade, performance, merit, future potential contribution, conduct of the concerned Employee.
- 5.2 The final quantum of Options to be granted will be based on the performance / potential of the concerned eligible Employee. All Grants shall be finally determined by the Nomination & Remuneration Committee and all such decisions shall be binding on the Option Grantees.

5.3 This Scheme shall be applicable to the Company and its Subsidiary Companies in India and abroad, and Options may be granted to the Employees of respective companies, as determined by the Nomination & Remuneration Committee at its sole discretion.

**6. Acceptance of Grant**

6.1 Any eligible Employee who wishes to accept the Grant made under this Scheme must deliver to the Company, a duly signed acceptance of Grant on or before the date ("Closing Date") which shall not be more than 60 days from the date of the Grant, as specified in the Grant letter. On receipt of the signed acceptance, the eligible Employee will become an Option Grantee.

6.2 Any eligible Employee who fails to deliver the signed acceptance of the Grant on or before the Closing Date stated above, shall be deemed to have rejected the Grant unless the Nomination & Remuneration Committee determines otherwise.

**7. Vesting Schedule / Conditions**

7.1 Options granted under this Scheme would vest not earlier than the statutory minimum Vesting Period of **1 (One) year** and not later than the maximum of **3 (Three) years** from the date of Grant.

**Provided that** in case where Options are granted by the Company under Scheme in lieu of options held by a person under a similar plan/ scheme in another company ("Transferor Company") which has merged or amalgamated with the Company, the period during which the options granted by the Transferor Company were held by him shall be adjusted against the minimum Vesting Period required under this Sub-clause.

7.2 Subject to the terms as the Nomination & Remuneration Committee may decide, the following Vesting schedule shall apply to all Grants made under this Scheme:

<b>Dates of Vesting</b>	<b>Percentage of Options to vest</b>
On 1 <sup>st</sup> anniversary from the date of Grant	30% of Options granted
On 2 <sup>nd</sup> anniversary from the date of Grant	30% of Options granted
On 3 <sup>rd</sup> anniversary from the date of Grant	40% of Options granted

7.3 Vesting of Options would be subject to continued employment with the Company or Subsidiary Company, as the case may be, on the date of Vesting. Thus, the Options would vest on completion of prescribed Vesting Period. In addition to this, the Nomination & Remuneration Committee may also specify certain performance parameters, detailed terms and conditions

relating to such performance based Vesting, and the proportion in which Options granted would vest.

7.4 The specific Vesting schedule and Vesting conditions subject to which Vesting would take place would be outlined in the Grant letter.

7.5 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 Employee is on a sabbatical. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Nomination & Remuneration Committee.

**8. Exercise**

**8.1 Exercise Price**

- (a) The Exercise Price per Option shall be determined by the Nomination & Remuneration Committee which shall be equal to the Market Price of Share within the meaning of the Scheme.
- (b) Payment of the Exercise Price or any amount payable in connection therewith under the Scheme, if any, shall be made by a demand draft, online payment / wire transfer of funds, or in such other manner in favour of the Company, as the Nomination & Remuneration Committee may approve from time to time.

**8.2 Provisions relating to Exercise of Options**

- (a) **While in employment/ service:** The Vested Options may be exercised by the Option Grantee, while in employment, at any time within the Exercise Period determined by the Nomination & Remuneration Committee as intimated in the Grant letter subject to a maximum period of **5 (Five) Years** from the date of Vesting of the Option.
- (b) **On separation from employment/ service:** Options can be exercised as per provisions outlined below:

S. No.	Events of separations	Vested Options	Unvested Options
1	<b>Resignation / Termination</b> (other than due to Misconduct or Breach of Company Policies/Terms of Employment)	All the Vested Options as on the date of submission of resignation/ date of termination can be exercised by the Option Grantee, immediately after, but in no event later than <b>three months</b>	All Unvested Options as on the date of submission of resignation/ date of termination shall stand cancelled with effect from that date.

## HDFC Life Insurance Company Limited

CIN: L65110MH2000PLC128245

13th Floor, Lodha Excelus, Apollo Mills Compound, N M Joshi Marg  
Mahalaxmi, Mumbai-400011 Maharashtra.

		from the date of such termination.	
2	<b>Termination due to Misconduct or breach of Company Policies/Terms of Employment</b>	All the Vested Options which were not exercised at the time of such termination shall stand <b>cancelled</b> with effect from the date of such termination.	All Unvested Options on the date of such termination shall stand <b>cancelled</b> with effect from the termination date.
3	<b>Retirement</b>	All Vested Options as on the date of Retirement can be exercised by the Option Grantee, immediately after, but in no event later than <b>three months</b> from the date of Retirement.	All Unvested Options as on the date of retirement will stand cancelled as on the date of Retirement unless otherwise determined by the Nomination & Remuneration Committee whose determination will be final and binding.
4	<b>Death</b>	All Vested Options may be exercised by the deceased Option Grantee's nominee or legal heir immediately after, but in no event later than <b>six months</b> from the date of death.	All the Unvested Options as on the date of death shall vest immediately and can be exercised as per provisions that apply to Vested Options.
5	<b>Termination due to Permanent Incapacity</b>	All Vested Options as on date of incurring of such incapacity may be exercised by the Option Grantee immediately after, but in no event later than <b>six months</b> from the date of such incapacity.	All the Unvested Options as on the date of incurring of such incapacity shall vest immediately and can be exercised as per provisions that apply to Vested Options.
6	<b>Other Reasons Apart from those mentioned above</b>	The Nomination & Remuneration Committee will decide whether the Vested Options as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All Unvested Options on the date of separation shall stand cancelled with effect from that date.

**8.3 Exercise in case of transfer of employment/ service**

In the event of transfer of an Option Grantee from the Company to any Subsidiary Company or Company's holding or associate company, if any, the Vested Options as on the date of transfer, shall be capable of being exercised as if the employment/ service of the Option Grantee is being continued and in case of Unvested Options, such Options shall continue to vest as per the original schedule and be exercised accordingly, subject to the compliance of the Applicable Laws.

**8.4 Lapse of Options**

The Options not exercised within the Exercise Period prescribed above shall lapse and the Option Grantee shall have no right over such lapsed or cancelled Options.

**9. Lock-in of Shares**

9.1 The Shares issued upon Exercise of Options shall be freely transferable and will not be subject to any lock-in period after such Exercise.

**Provided, however that** the Shares issued on such Exercise cannot be sold for such period from the date of issue in terms of Code of Conduct for Prevention of Insider Trading of the Company read with Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended or replaced from time to time.

**10. Rights as a shareholder**

10.1 The Employee 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.

10.2 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 Shares, rights Shares, dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Option Grantee Exercises the Employee Stock Options and becomes a registered holder of the Shares of the Company.

10.3 The Employee Stock Options shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

10.4 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. However, an adjustment to the number of Options or the Exercise price or both would be made in accordance with Sub-clause 4.4 (viii) of the Scheme.

**11. Non-transferability of Options**

- 11.1 The Employee Stock Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 11.2 Employee Stock Options shall not be 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 Option Grantee to whom the Employee Stock Option is granted shall be entitled to exercise the Employee Stock Option except in the event of the death of such Option Grantee, in which case Sub-clause 8.2(b) would apply.

**12. Taxation**

- 12.1 The liability of paying taxes if any, in respect of the Employee Stock Options granted pursuant to this Scheme and the Shares issued pursuant to Exercise of Options shall be entirely on the Option Grantee 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 Employees of Company working abroad, if any.
- 12.2 The Company shall have the right to deduct from the Option Grantee's salary or recover any of the Option Grantee's tax obligations arising in connection with the transactions in respect of Options or Shares acquired upon the Exercise thereof.
- 12.3 The Company shall have no obligation to deliver Shares until the tax deduction obligations, if any, have been satisfied by the Option Grantee in full.

**13. Authority to vary terms**

The Board/ Nomination & Remuneration Committee may, if it deems necessary, and subject to compliance with all procedural aspects under the SEBI SBEB Regulations and other Applicable Laws vary the terms of the Scheme, however, subject to the condition that none of such variations shall be prejudicial to the interest of any Option Grantees.

**14. Miscellaneous**

- 14.1 Government Regulations  
This Scheme shall be subject to all Applicable Laws including any statutory modification(s) or re-enactment(s) thereof, and approvals from governmental authorities, if any, and to the extent required.

**14.2 Inability to obtain approval**

The inability of the Company to obtain approval 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 grant the Options or issue Shares.

**14.3 General Risks**

Participation in this Scheme shall not be construed as any guarantee of return on the equity investment. Any loss due to fluctuations in the price of the equity and the risks associated with the investments is that of the Option Grantee alone. The Option Grantee is encouraged to make considered judgment and seek adequate information /clarifications essential for appropriate decision.

**14.4** Neither the existence of this Scheme nor the fact that an individual has on any occasion been granted an Option shall give such individual any right, entitlement or expectation that he has or will in future have any such right, entitlement or expectation to participate in this Scheme or any other scheme(s)/ plan(s) by being granted an Option on any other occasion.

**14.5** The rights granted to an Option Grantee upon the grant of an Options shall not accord 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).

**14.6** 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 any Options in whole or in part.

**15. Accounting Policy and disclosures**

**15.1** The Company shall follow the laws/regulations applicable to accounting and disclosure related to Employee Stock Options, including but not limited to the Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India ("ICAI") from time to time, including the disclosure requirements prescribed therein.

**15.2** Where the existing Guidance Note or Accounting Standard do not prescribe accounting treatment or disclosure requirements for any of the schemes covered under these regulations then the Company shall comply with the relevant Accounting Standard as may be prescribed by the ICAI or any other competent authorities from time to time.

15.3 The Company shall make disclosures to the prospective Option Grantees containing statement of risks, information about the Company and salient features of the Scheme in a format as prescribed under SEBI SBEB Regulations, 2014.

15.4 The Company shall disclose details of Grant, Vest, Exercise and lapse of the Employee Stock Options in the Directors' Report or in an annexure thereof as prescribed under SEBI SBEB Regulations, 2014 or any other Applicable Laws as in force.

**16. Certificate from Auditors**

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

**17. Notices**

17.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this Scheme shall be in writing. The communications shall be made by the Company in any one or more of the following ways:

- i. Sending communication(s) to the address of the Option Grantee available in the records of the Company; or
- ii. Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; or
- iii. Emailing the communication(s) to the Option Grantee at the official email address provided if any by the Company during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.

17.2 Any communication to be given by an Option Grantee to the Company in respect of the Scheme shall be sent to the Head – HR of the company.

**18. Governing Laws and Jurisdiction**

18.1 The terms and conditions of this Scheme shall be governed by and construed in accordance with the laws of India.

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

18.3 Nothing in this clause will 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) con-currently in more than one jurisdiction.

**19. 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 any other provision of this Scheme, but this Scheme shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and this Scheme shall be carried out as nearly as possible according to its original terms and intent.

**20. Confidentiality**

- 20.1 Option Grantees must keep the details of this Scheme and all other documents in connection thereof strictly confidential and must not disclose the details with any of their peers, colleagues, co-employees or with any other employee and/ or associate of the Company or that of its affiliates or any third party. In case Option Grantee is found in breach of this confidentiality requirement, the Company shall have undisputed right to terminate any Grant and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality requirement shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this clause, the Nomination & Remuneration Committee will have the authority to deal with such cases as it may deem fit.
- 20.2 On acceptance of Grant, the Option Grantee shall be deemed to agree that the Company may be required to disclose information relating to the Option Grantee during the process of implementation of this Scheme or while availing services relating to stock option consulting, advisory services or stock option management services and/ or any other such incidental services. The Option Grantee hereby accords his consent that such confidential information regarding his Options entitlements may be disclosed by the Company to its officers, professional advisors, agents and consultants on a need to know basis.