
UNOMINDA EMPLOYEE STOCK OPTION SCHEME 2019

MINDA INDUSTRIES LIMITED

L. Ravastu



of

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Dr. Ravindra



Minda Industries Limited

UNOMINDA Employee Stock Option Scheme 2019

This Scheme (defined hereunder) has been formulated and approved, on the recommendation of Nomination and Remuneration Committee (NRC), by the Board (defined hereunder) of the Company (defined hereunder) in its meeting held on February 6, 2019 and approved by the shareholders by way of special resolutions passed on March 25, 2019.

1. NAME AND OBJECTIVE OF THE SCHEME

- 1.1 This Scheme shall be called the "UNOMINDA Employee Stock Option Scheme 2019 or UNOMINDA ESOS-2019" ("**Scheme**") which expression shall include any alterations, amendments or modifications to it, from time to time.
- 1.2 In today's competitive world, the employees of a company are its most important resource and asset. The Company fully recognizes the same and therefore wants its Employees (defined hereunder) to participate and be partners in growth and prosperity of the Company.
- 1.3 The objectives of the Scheme are:
- 1.3.1 create a sense of ownership and participation amongst the Employees;
 - 1.3.2 motivate the Employees with incentives and reward opportunities;
 - 1.3.3 drive entrepreneurship mindset of value creation for the organization;
 - 1.3.4 provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company; and
 - 1.3.5 achieve sustained growth of the Company and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company.

2. DEFINITIONS AND INTERPRETATION


In this Scheme, (a) capitalised terms defined by inclusion in quotations and/or parenthesis have the meanings so ascribed; (b) the terms defined hereunder shall have the meanings specified herein; and (c) terms not defined shall have the meanings as defined in the SEBI (SBEB) Regulations, 2014 (as statutorily amended and modified), SEBI (Issue of Capital and Disclosure Requirements) Regulations, SEBI (Listing Obligation and Disclosures Requirements), 2015, the Securities Contracts (Regulation) Act, 1956 (as statutorily amended and modified); the Companies Act, 2013 (as statutorily amended and modified); or in any statute or re-enactments hereof, as the case may be;

- 2.1 **Applicable Law** shall mean laws of India including rules, regulations and guidelines to the extent applicable to the Company and this Scheme, as amended and modified from time to time. Accordingly, any action taken under the Scheme shall be governed by and construed in accordance with the laws of India, without regard to the application of the conflict of laws' provisions under the Applicable Law;
- 2.2 **Board of Directors / Board** means the Company's Board of Directors;




- 2.3 **Business Day** means any day other than a Saturday, a Sunday or any day on which banks in New Delhi, India as well as the BSE Limited and National Stock Exchange of India Limited is permitted to be closed;
- 2.4 **Cause** includes the following: (i) convicted of an offence involving moral turpitude or that disentitles the Eligible Employee from being an Employee in accordance with the Company's policies and/or Applicable Law; or (ii) commission of fraud, misappropriation or embezzlement by an Employee; (iii) wilful dishonesty, gross misconduct; (iv) abandonment of employment by the Employee; (v) termination of employment of the Employee by the Company for reasons relating to performance of such Employee or otherwise; and/or (vi) any other action(s) that, in view of the Nomination and Remuneration Committee is disruptive or detrimental to the functioning of the Company;
- 2.5 **Closing Date** shall have the same meaning assigned to it as in Clause 4.2;
- 2.6 **Company** means Minda Industries Limited, a public listed company incorporated in India under the provisions of the Indian Companies Act 1956 and having its registered office at B-64/1, Wazirpur Industrial Area, Delhi - 110052, the shares of which are listed on BSE Limited and National Stock Exchange of India Limited;
- 2.7 **Corporate Action** means one of the following events:
- 2.7.1 rights / bonus issue;
 - 2.7.2 reorganisation of the Shares;
 - 2.7.3 restructuring of the share capital of the Company;
 - 2.7.4 Other reorganization of the Company in which the Shares are converted into or exchanged for:
 - (a) a different class of securities of the Company, or
 - (b) any securities of any other issuer, or
 - (c) cash, or
 - (d) other property;
 - 2.7.5 Sale, lease or exchange of all or substantially whole of the assets/ undertaking of the Company to any other company or entity;
 - 2.7.6 Bankruptcy proceedings against the Company;
 - 2.7.7 Adoption by the shareholders of the Company of a scheme of liquidation, dissolution or winding up;
- 2.8 **Director** means a member of the Board of the Company;
- 2.9 **Effective Date** shall have the same meaning assigned to it as in Clause 4.1;

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- 2.10 **Eligible Employee** means an Employee who has been selected/nominated/recommended by the appropriate leadership team of the Company and duly approved by the Nomination and Remuneration Committee, for the purpose of Granting Options under this Scheme;
- 2.11 **Employee** means:
- 2.11.1 a permanent employee of the Company who has been working in India or outside India; or
 - 2.11.2 a director of the Company, whether a whole-time director or not but excluding an independent director; or
 - 2.11.3 an employee as defined in clause 2.11.1 and Clause 2.11.2 of a Subsidiary in India or outside India;
- but does not include:
- (a) an employee who is a Promoter or a person belonging to the Promoter Group of the Company;
 - (b) a director who either himself or through his relative or through anybody corporate directly or indirectly, holds more than ten percent of the outstanding Shares of the Company.
- 2.12 **Exercise** means submission of Exercise Letter by the Eligible Employee for allotment of Shares, in respect of the Vested Options accompanied by the Exercise Price within the Exercise Period;
- 2.13 **Exercise Date** means the date on which the Eligible Employee elects to Exercise the Options;
- 2.14 **Exercise Letter** shall mean the prescribed letter as annexed to this Scheme as Annexure A for the purpose of Exercising the Options along with a cheque / demand draft or any other mode of payment of Exercise Price for every Option that is being Exercised;
- 2.15 **Exercise Period** means the period as provided in the Letter of Grant or such other period as may be intimated by the Nomination and Remuneration Committee (NRC), from time to time, within which the Eligible Employee may elect to Exercise the Vested Options;
- 2.16 **Exercise Price** means the price, as detailed in the Letter of Grant, payable by the Eligible Employee for the Exercise of each Option Granted under the Scheme for the allotment of one Share. The Exercise Price shall be determined by the Nomination and Remuneration Committee at its sole and absolute discretion which could either be basis the 2 (two) week volume weighted average price of the Shares on the National Stock Exchange prior to the Grant Date or such other formula as it may determine;
- 2.17 **Grant** means grant of Options. The terms Granted and Granting shall be construed accordingly;
- 2.18 **Grant Date** means the date as specified in the Letter of Grant by the Nomination and Remuneration Committee on which a Grant is made to an Eligible Employee under the Scheme;



- 2.19 **Letter of Grant** means the letter detailing the terms and conditions specific to the Options Granted to the Eligible Employee. The Letter of Grant shall be subject to the provisions of the Scheme;
- 2.20 **Nomination and Remuneration Committee** means the 'Nomination and Remuneration Committee' set up by the Company under the Section 178 of the Companies Act 2013 read with SEBI (Listing Obligation and Disclosures Requirements), Regulations 2015;
- 2.21 **Nominee** means: (A) an individual appointed by the Eligible Employee by submitting a letter in the form specified by the Nomination and Remuneration Committee in this regard, which may be revoked or changed at any time but before the Exercise of Options; (B) if no such nomination has been made in accordance with (A) herein or if the individual nomination is not in existence, then Nominee shall mean the spouse of the Option Holder or if the Option Holder is unmarried or widowed/divorced at the time of death or Permanent Disability, then the eldest child, mother, father, eldest brother and eldest sister, in that particular order, of the Option Holder;
- 2.22 **Option** means the right, without any obligation, granted to the Eligible Employee to subscribe to Shares upon such terms and conditions as may be specified in the Scheme. One Option shall entitle the Eligible Employee to one Share;
- 2.23 **Option Holder** means an Eligible Employee who has been Granted the Options and has been issued a Letter of Grant and agrees to abide by the terms and conditions of this Scheme as well as the Letter of Grant;
- 2.24 **Permanent Disability** means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Nomination and Remuneration Committee based on a medical certificate from an expert identified by the Nomination and Remuneration Committee;
- 2.25 **Person** means any natural person, firm, company, governmental authority, joint venture, partnership, association or other entity (whether or not having separate legal personality);
- 2.26 **Promoter** in reference to the Company shall have the same meaning assigned to it under the SEBI (SBEB) Regulations;
- 2.27 **Promoter Group** in reference to the Company shall have the same meaning assigned to it under the SEBI (SBEB) Regulations;
- 2.28 **Retirement Date** means the date on which the Option Holder is due to retire/retired as per the policies of the Company;
- 2.29 **Scheme** means the UNOMINDA Employee Stock Option Scheme 2019 or UNOMINDA ESOS-2019 as set out herein and shall include any modification and variations thereof;
- 2.30 **SEBI** means the Securities and Exchange Board of India constituted under Securities and Exchange Board of India Act, 1992;
- 2.31 **SEBI (SBEB) Regulations** means the SEBI (Share Base Employee Benefits) Regulations 2014 and shall include any statutory amendments and modifications;

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- 2.32 **Share** means the equity share of the Company listed on the BSE Limited and National Stock Exchange of India Limited;
- 2.33 **Shareholder** means a person who is registered as a holder of Share/s in the register of shareholders maintained by the Company and includes every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository;
- 2.34 **Subsidiary** in reference to the Company, shall have the same meaning ascribed to it in the Companies Act, 2013;
- 2.35 **Vesting** means the process of fulfilment of the criteria and conditions enumerated in the Scheme and/ or Letter of Grant by an Option Holder in order to be eligible to Exercise his Options;
- 2.36 **Vesting Condition** means the condition, as determined by the Nomination and Remuneration Committee in its sole and absolute discretion, to be fulfilled in order to have the Options vested;
- 2.37 **Vesting Date** in relation to an Option means the date on which the Options would be Vested;
- 2.38 **Vesting Period** means the period from the Grant Date till the Vesting Date;
- 2.39 **Vested Option** means an Option granted, in respect of which the relevant vesting conditions have been satisfied and the Option Holder has become eligible to Exercise the Option; and
- 2.40 **Unvested Option** means an Option granted, in respect of which the relevant vesting conditions have not been satisfied and as such, the Option Holder has not become eligible to Exercise the Option.

3. INTERPRETATION

In this Scheme, unless the contrary intention appears:

- 3.1 the Clause headings are for ease of reference only and shall not be relevant to interpretation;
- 3.2 the singular includes the plural and vice versa;
- 3.3 any word or expression importing the masculine, feminine or neuter genders only, shall be taken to include all three genders;
- 3.4 a reference to a Clause or a Sub-Clause, unless otherwise specified, is a reference to a Clause or Sub-Clause as the case may be of this Scheme; and
- 3.5 References in this Scheme to statutory provisions shall be construed as references to those provisions as modified or re-enacted from time to time (whether before or after the date of this Scheme) and to any subordinate legislation made under such provisions and shall include references to any repealed statutory provision which has been so re-enacted (whether with or without modification).




4. APPLICABILITY AND TERM

- 4.1 The Scheme applies only to Eligible Employees. This Scheme shall become effective from the date of approval of the Scheme by the Shareholders ("**Effective Date**").
- 4.2 The Scheme shall continue to be in force until the expiry of 10 (ten) years from the Effective Date ("**Closing Date**"). Options under the Scheme can be granted only up till 15 (fifteen) months before the Closing Date and all Options granted till this date shall remain live till they are Vested, lapsed, cashed out or otherwise cancelled in accordance with the provisions of the Scheme. **Provided however**, the Scheme can be terminated before the Closing Date on a date on which all the Options available for issuance under the Scheme have been issued and Exercised or have lapsed and the Nomination and Remuneration Committee does not intend to re-issue the lapsed Options or the Nomination and Remuneration Committee in its absolute discretion decides to terminate the Scheme before the Closing Date. The term Closing Date shall therefore be construed accordingly.
- 4.3 The Nomination and Remuneration Committee may, subject to compliance with applicable Laws, at any time alter, amend, suspend or terminate the Scheme.

Provided that any alteration or amendment shall not be detrimental to the interests of the Employees.

5. SCOPE AND ELIGIBILITY; OPTIONS/SHARES SUBJECT TO THE SCHEME

- 5.1 The maximum aggregate number of Options that may be granted and thereby the issuance of Shares under the Scheme shall not exceed 3% (three percent) of the paid-up share capital of the Company (relating to the Shares) as on the Effective Date ("**Plan Pool**"), on such terms and conditions, as is approved by the Shareholders on March 25, 2019 by passing Special Resolutions through Postal Ballot.
- 5.2 The Nomination and Remuneration Committee shall determine the Grant in its absolute discretion, taking into consideration such factors but not limited to Eligible Employee's performance appraisal, seniority, period of service, role of the Eligible Employee, the present and potential contribution to the growth of the Company. Thereafter, from time to time, the Nomination and Remuneration Committee may grant Options to one or more Eligible Employee/s.
- 5.3 If the Option expires or becomes unexercisable without having been Exercised in full, then the said Option shall automatically lapse. The Shares which were subject to such lapsed Options, may become available for future Grant under the Scheme unless the Scheme stands terminated pursuant to Clause 4 of the Scheme.
- 5.4 Where the Shares are allotted to Option Holder upon Exercise under the Scheme, the Plan Pool will stand reduced to the extent of such Shares.

6. IMPLEMENTATION

- 6.1 The Scheme shall be implemented as per the provisions hereunder and Applicable Laws of India.
- 6.2 All the actions required to be effected pursuant to the Scheme will be undertaken by the Nomination and Remuneration Committee.

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7. ADMINISTRATION

- 7.1 The Scheme shall be administered by Nomination and Remuneration Committee. All questions of interpretation of the Scheme or any 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 Scheme or such Option(s).
- 7.2 The Nomination and Remuneration Committee shall in accordance with this Scheme and Applicable Law determine the following:
- 7.2.1 select the Eligible Employees;
 - 7.2.2 determine the performance parameters for Grant and/or Vesting of Options to an Eligible Employee;
 - 7.2.3 determine the Vesting and/or lock-in-period of the Grant made to any Option Holder and/or any conditions subject to which such Vesting may take place;
 - 7.2.4 assess the performance of an Eligible Employee for Granting of the Options;
 - 7.2.5 determine the criteria for Vesting of Options;
 - 7.2.6 determine the number of Options to be Granted, to each Eligible Employee and in the aggregate, and the times at which such Grants shall be made;
 - 7.2.7 lay down the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of Corporate Action in accordance with SEBI (SBEB) Regulations;
 - 7.2.8 specify the method which the Company shall use to value its Options;
 - 7.2.9 provide for the right of an Option Holder to Exercise all the Options Vested in him at one time or at various points of time within the Exercise Period;
 - 7.2.10 lay down the procedure for cashless Exercise of Options, if any;
 - 7.2.11 provide for the Grant, Vesting and Exercise of Options in case of Option Holders who have been seconded to any other company by the Company;
 - 7.2.12 such other matters in respect of which the Nomination and Remuneration Committee is required to formulate terms and conditions under Applicable Law.
- 7.3 In the event of any clarifications being required on the interpretation or application of the Scheme, the same shall be referred to the Nomination and Remuneration Committee. The decision of the Nomination and Remuneration Committee shall be final and binding on the Employees in this regard.
- 7.4 With regard to the matters specifically not provided for in this Scheme or any other documents that may be issued in connection with the Options, the Nomination and Remuneration Committee shall have an absolute discretion to decide such matters in the manner deemed fit by them in the best interests of the Employees and the Company as may be permissible under the Applicable Law, rules and regulations for the time being in force. The

decision of the Nomination and Remuneration Committee shall be final and binding on the Employees.

- 7.5 Any dispute or disagreement which shall arise under, or as a result of, or pursuant to, or in connection with this Scheme shall be referred to the Nomination and Remuneration Committee and shall be determined by it from time to time. All such determination / decision / interpretation by the Nomination and Remuneration Committee shall be final and binding on all the Employees affected thereby.

8. GENERAL RISKS

Participation in this Scheme shall not be construed as any guarantee of return on Shares allotted upon Exercise of Options.

9. GRANT OF OPTIONS

- 9.1 The Nomination and Remuneration Committee may make Grants to one or more Eligible Employee(s), which shall include recurring Grants to the same Eligible Employee in accordance with the terms and conditions of the Scheme.
- 9.2 The Nomination and Remuneration Committee shall determine the Vesting criteria/Period and Exercise Period of the Options granted under the Scheme.
- 9.3 Options Granted to an Eligible Employee shall be evidenced by a Letter of Grant which shall contain such details and terms and conditions as may be required by the Nomination and Remuneration Committee including the number of Options Granted, the Vesting criteria, Exercise Period, lock-in period, if any, and the other terms and conditions thereto.
- 9.4 The Option Holder shall not assign, transfer, pledge or hypothecate his rights or obligations relating to the Options, to any third party. The Option shall be Exercisable by such Option Holder only or in case of death or Permanent Disability of an Option Holder, by the Nominee as provided in the Scheme.
- 9.5 The Nomination and Remuneration Committee shall make necessary disclosures as per Regulation 16(2) of the SEBI (SBEB) Regulations to the Eligible Employees to whom Grant is being made.
- 9.6 In the event, an Eligible Employee is a nominee of an institution nominated by such institution as its representative on the Board, then such Eligible Employee shall comply with the disclosure requirement as provided under the Explanation to Regulation 4 of SEBI (SBEB) Regulation.

10. VESTING

- 10.1 The Vesting Period and Vesting Condition for the Options Granted to Eligible Employees shall be determined by the Nomination and Remuneration Committee in accordance with the Applicable Law and provided in the Letter of Grant.

Provided that, the Nomination and Remuneration Committee in its absolute discretion may accelerate the Vesting of Options as it deems fit.




Provided further that, the Nomination and Remuneration Committee at its sole and absolute discretion may relax the Vesting Condition and/or allow partial vesting of Option if the earlier stipulated Vesting Condition is not met within the Vesting Period or not achievable.

Provided further that, notwithstanding the foregoing the Vesting Period shall not be more than 7 (seven) years from Grant Date.

It is hereby clarified that the Vesting Period will be minimum one year from Grant Date or such time period as may be prescribed under the Applicable Law including but not limited to SEBI (SBEB) Regulations.

10.2 Subject to Clause 16 of the Scheme,

10.2.1 the Unvested Options shall vest with the Option Holder as per the Vesting criteria mentioned in the Letter of Grant given to the Eligible Employee; and

10.2.2 the Vested Options shall entitle the Option Holder to Exercise the Vested Options and apply for the Shares at the Exercise Price within the Exercise Period.

11. EXERCISE OF OPTIONS

11.1 The Option Holder may exercise the Vested Options within the Exercise Period, which under no circumstance will be beyond 7 (seven) years from the Grant Date. In the event the Option Holder fails to Exercise his Vested Options within the Exercise Period, then such Vested Options shall lapse and revert to the Plan Pool. The Company and/or the Nomination and Remuneration Committee will not have any obligation towards such Option Holder with respect to such lapsed Options. No further communication in this regard shall be made to the Option Holder in this regard.

11.2 To Exercise the Options, the Option Holder has to submit an Exercise Letter to the Nomination and Remuneration Committee accompanied by the Exercise Price which shall be paid either by or through, as the case may be:

11.2.1 cheque drawn on the Company; or

11.2.2 online to the Company's bank account as may be intimated from time to time; or

11.2.3 the Option Holder's authority to the Company to deduct such amount from his salary due and payable; or


11.2.4 such other mode as may be approved by the Nomination and Remuneration Committee from time to time to the extent permitted by Applicable Law; or

11.2.5 a combination of any of the abovementioned methods.

11.3 The Nomination and Remuneration Committee may at its sole and absolute discretion offer to Option Holders to Exercise their Vested Options vide a cashless mechanism.

11.4 Notwithstanding the foregoing provisions of this Clause 11 and subject to Applicable Law, in case of cessation of employment, any Exercise of the Options by such Option Holder shall be in accordance with the provisions of Clause 16 of this Scheme.

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- 11.5 Upon Exercise of Options, the Nomination and Remuneration Committee shall cause, within a reasonable period of time, to allot such number of Shares underlying the Vested Options as are Exercised, to the Option Holder, Nominee or former Employee, as the case may be.

12. RIGHTS AS A SHAREHOLDER

No Employee shall have a right to receive any dividend or vote at any general meeting of the Company or in any manner enjoy the benefits of a Shareholder in respect of Options Granted or Vested in the Option Holder.

13. AUTHORITY TO VARY/MODIFY TERMS

- 13.1 Subject to Applicable Law, the Nomination and Remuneration Committee shall, at its absolute discretion, have the right to vary / modify / amend the Scheme, in such manner and at such time or times as it may deem fit, subject however that any such modification / amendment shall not be detrimental to the interests of the Option Holders.
- 13.2 Such right to vary / modify / amend this Scheme as and when required will be subject as always to SEBI (SBEB) Regulations. No member of the Nomination and Remuneration Committee shall be primarily liable for any decision or action taken in good faith with respect to this Scheme.

14. TRANSFERABILITY OF OPTIONS

The Options cannot be assigned, alienated, pledged, attached, hypothecated, sold or otherwise transferred or encumbered by the Option Holder except under the circumstances provided under Clause 17.7 herein. Any purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance not permitted herein shall be void and unenforceable against the Company.

15. CORPORATE ACTION

Subject to Applicable Law, in the event of change in control of the Company or Corporate Action, a Grant made under the Scheme shall be subject to adjustment by the Nomination and Remuneration Committee at its discretion including but not limited to the number of Options or Vesting criteria or Exercise Price or cancellation of Options (whether Vested or Unvested) in lieu of such consideration as may be determined by the Nomination and Remuneration Committee in its sole discretion. The decision of the Nomination and Remuneration Committee, in this regard, shall be final and binding.

16. TERMINATION / CESSATION OF EMPLOYMENT

- 16.1 In the event of cessation of employment of the Option Holder due to his death or Permanent Disability, all the Unvested Options shall Vest on the date of cessation of such employment. The Option Holder or his Nominee, as the case may be, may Exercise the Vested Options in accordance with Clause 11 of the Scheme within a period as may be stipulated in the Letter of Grant. Any Options not Exercised within the period as stipulated by the Nomination and Remuneration Committee shall lapse and be cancelled and revert to the Plan Pool. The Company shall not have any further obligations towards the Option Holder or the Nominee, as the case may be, towards lapsed Options.
- 16.2 In the event of termination of employment of the Option Holder due to Cause, Options, whether Vested or Unvested, shall lapse on the termination of employment of the Option




Holder, and stand cancelled. The Company shall not have any further obligations towards the Option Holder in respect of such cancelled Options.

16.3 In the event of termination of employment of the Option Holder due to resignation or without Cause (other than retirement), the Nomination and Remuneration Committee lay down the procedure of treatment of Unvested Options in the Letter of Grant; in the absence of any such procedure, the Unvested Options shall stand cancelled with immediate effect. The Option Holder may Exercise his Vested Options in accordance with Clause 11 of the Scheme, within the period stipulated by the Nomination and Remuneration Committee in the Letter of Grant. If the Options are not Exercised in accordance with the terms and conditions laid down by the Nomination and Remuneration Committee, then such Options shall stand cancelled and revert to the Plan Pool. The Company shall not have any further obligations towards the Option Holder in respect of such lapsed Options.

16.4 In the event of retirement of an Option Holder, the Unvested Options shall lapse unless the Nomination and Remuneration Committee, at its sole and absolute discretion decide otherwise. The Option Holder may Exercise his Vested Options in accordance with Clause 11 of the Scheme, within the period stipulated by the Nomination and Remuneration Committee in the Letter of Grant. If the Options are not Exercised in accordance with the terms and conditions laid down by the Nomination and Remuneration Committee, then such Options shall stand cancelled and revert to the Plan Pool. The Company shall not have any further obligations towards the Option Holder in respect of such lapsed Options.

17. MISCELLANEOUS

17.1 No right to a Grant:

Neither the adoption of the Scheme nor any action of the Nomination and Remuneration Committee shall be deemed to give an Eligible Employee any right to be Granted any Option to acquire Shares or to any other rights hereunder except as may be evidenced by Letter of Grant signed and counter signed by the Company and the Eligible Employee, respectively.

17.2 No employment rights conferred:

Nothing contained in the Scheme or in any Grant made hereunder shall:

17.2.1 confer upon any Option Holder any right with respect to continuation of employment or engagement with the Company; or

17.2.2 interfere in any way with the right of the Company to terminate Employment or services of any Option Holder at any time.

17.3 Tax deduction / recovery:

The Company shall have the right to deduct / recover all taxes payable either by itself or by the Option Holder, in connection with all Grants / Options / Shares under this Scheme, by way of deduction at source from salary and, in addition, to require any payments necessary to enable it to satisfy such obligations. The Option Holder will also, as a condition of the Scheme, authorize the Company or its Nominee to sell such number of Shares, as would be necessary, to discharge the obligation in the respect of such taxes and appropriate the proceeds thereof on behalf of the Option Holder.

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17.4 No restriction on Corporate Action:

The existence of the Scheme and the Grants made hereunder shall not in any way affect the right or the power of the Board or the Shareholders to make or authorise any 'Corporate Action', strategic sale of substantial stake by the Shareholders including any issue of Shares, debt or other securities having any priority or preference with respect to the Shares under the Scheme or the rights thereof, whether or not such action would have an adverse effect on the Scheme or any Grant made under the Scheme. No Employee or other person shall have any claim against the Company or the new company / new entity that is formed or takes over a part of whole of the business of the Company, as a result of such action.

17.5 Dissolution or liquidation or bankruptcy:

In the event of a dissolution or liquidation or bankruptcy, the Nomination and Remuneration Committee shall inform each Option Holder, as soon as practicable / permissible under Applicable Law, of the same and communicate regarding the treatment of Options held by the Option Holder.

17.6 Confidentiality:

The Option Holder shall ensure complete confidentiality in respect of all documents, matters and discussions in relation to the Scheme, Grant, Letter of Grant or any connected matter except where such disclosure is made to a third-party professional (viz., lawyer, chartered accountant etc.) for seeking legal or financial advice. Any violation may result in cancellation of Options, Vested or Unvested.

17.7 Nominee:

A Nominee shall alone be entitled to exercise the rights of the Option Holder concerned in the event of death / Permanent Disability of the Option Holder, subject to the terms and conditions of the Scheme.

17.8 Insider trading:

The Option Holder shall ensure that there is no violation of Insider Trading Regulations and prevention of Fraudulent and/or Unfair Trade Practices regulations as may be notified by SEBI and/or the Stock Exchange on which the Shares are listed. The Option Holder shall keep the Company or the Board or such other Committees of the Board, fully indemnified in respect of any liability arising for violation of the above provisions.

17.9 New Employee Stock Option Plans:

Nothing contained in the Scheme shall be construed to prevent the Company from implementing another Employee Stock Option Plan, directly or through any trust settled by Company, which is deemed by the Company to be appropriate or in its best interest, provided such other action would not have any adverse impact on the Scheme or any Grant made under the Scheme. No Option Holder or other Person shall have any claim against the Company and/or Trust as a result of such action.

17.10 Notice and correspondence:



Any notice required to be given by, or any correspondence from, an Option Holder or the Nominee or the former Employee to the Company may be given at the following address:

Attention: Mr. Anand Kumar Minda,
(Member – Nomination & Remuneration Committee)
Address: Minda Industries Limited
Registered Office: B-64/1 Wazirpur, Industrial Area Delhi - 110052 **Corporate Office:** IMT Manesar SikanderPur Badda, Nawada Fatehpur, Gurugram, Haryana 122004

Email ID: anandminda@mindagroup.com

Any notice required to be given to the Option Holder or the Nominee or the former Employee, as the case may be, by the Company may be given at the address of the Option Holder/Nominee/former Employee, as maintained by the Company in its records.

If there is any change of address for service, it shall be the sole responsibility of the addressee (Company or the Option Holder or the Nominee or the former Employee, as the case may be) to update the other party (Company or the Option Holder or the Nominee or the former Employee, as the case may be) about the change in address for service. However, if there is no change or update of address, service on either address shall remain effective and it shall be sufficient discharge of obligation of service, intimation, notice or correspondence.

17.11 Disputes:

All disputes arising out of or in connection with the Scheme or the Grant shall be referred to the Nomination and Remuneration Committee for mutual resolution by the parties.

17.12 Arbitration:

All disputes arising out of or in connection with the Scheme or the Grant which cannot be resolved as per Clause 17.11 within 30 (thirty) days from the date of its reference to the Nomination and Remuneration Committee may be referred for arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any amendment thereto. The place and seat of arbitration shall be New Delhi, India.

17.13 Governing law and jurisdiction

17.13.1 The terms and conditions of the Scheme shall be governed by and construed in accordance with the Applicable Law.


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

17.13.3 Nothing in this Clause will however limit the right of the Company to bring proceedings against any Employee in connection with the Scheme:

- (a) in any other Court of competent jurisdiction; or
- (b) concurrently in more than one jurisdiction.

17.14 No Discrimination

Prastava



Nothing in this Scheme may be deemed to be discriminating amongst the Employees or the Eligible Employees on the grounds of gender, age, nationality, race, ethnicity, language or otherwise. The Scheme in terms of coverage of the Eligible Employees is in consonance with prevailing management practices and remuneration principles and is not discriminating against any section of Employees.

17.15 Accounting and Disclosure Policies

The Company will conform to the applicable accounting policies prescribed under the SBEB Regulations, or any other policy(es) that may be prescribed under law with respect to accounting for stock options.

17.16 This Scheme will operate inter-alia, under Companies Act 2013 and SEBI (SBEB) Regulations, 2014 provisions not specifically provided herein but set out in in such aforesaid laws.

ADOPTED BY THE BOARD OF DIRECTORS AS OF

APPROVED BY THE SHAREHOLDERS AS OF

J. Ravastar



ANNEXURE A
PROFORMA - EXERCISE LETTER

From:

[Name of the Employee]

[Designation], [Name of the Company]

Residential Address/Office Address

PAN: [•]

To:

Nomination and Remuneration Committee

[Name of the Company]

[Address of the Company]

Subject: Exercise of Options Granted under the Minda Employee Stock Option Scheme 2019 ("Scheme")

Dear Sir

1. I was granted Options under the Scheme vide Letter of Grant dated _____ which entitles me to equal number of the shares of the Company ("**Shares**"). I am desirous of Exercising some/ all of the Vested Options. Set out below are the details of the Grant, Vested Options, Exercise Price and the number of Vested Options that I am hereby Exercising.

2. DETAILS OF OPTIONS:

Date of Grant		
Total number of shares of the Company covered by the Options granted under the Letter of Grant		
Exercise price per share		
Vesting of Options	Date of Vesting	Number of Options vested
Number of Options Exercised Till Date		

3. DETAILS OF EXERCISE OF OPTIONS:

Number Options being Exercised as of this Date	Total amount payable on Exercise (Number of Options being exercised * Exercise price per share)




4. DETAILS OF PAYMENT OF EXERCISE PRICE

- ☐ : Enclosed cheque of INR [●] dated [●] made payable to Minda Industries Limited
- ☐ : Online transfer of INR [●] on [●] to the designated account of the Company
- ☐ : Deduct INR [●] from my Salary
- ☐ : Combination of the above mentioned-methods, *[please provide]*
- ☐ : Cashless Exercise
- ☐ : Such other manner, as the Nomination and Remuneration Committee has intimated to the Option Holder under Clause 11 of the Scheme or otherwise.

5. Upon receipt of the Exercise Price, request you to kindly allot the Shares underlying the Vested Options being Exercised herein. My demat account details are as under:

[●]

6. ACKNOWLEDGEMENT AND SIGNATURE

I hereby acknowledge that:

- (a) I have understood, signed and agreed with the terms and conditions of the Letter of Grant and the Scheme under which the Options detailed above were issued, and understand the tax consequences of an Exercise.
- (b) Issuance of Shares on Exercise of Options is subject to Applicable Law and compliances, and allotment of Shares thereof by the Company shall be upon due compliance of such Applicable Law.
- (c) The Company may have withholding tax obligation arising from the Exercise of the Options, which will be appropriated from my monthly salary enabling the Company to meet the said obligation. In the event that the salary is insufficient to cover the withholding taxes, I may be asked to deposit the amount of withholding tax with the Company as may be notified to me.
- (d) I am solely responsible for my individual tax filings in relation to the Granting, Vesting or Exercise of the Options Granted to me.




- (e) Upon allotment of Shares, I shall strictly adhere to the provisions of the Insider Trading Policies of the Company and co-operate with the Company in the matters concerning the said provisions as may be required. I will take pre-clearance from the compliance office prior to dealing in shares.

Thanking you,
Yours Sincerely,

[Name of the Employee]
Date:

To be completed by the Nomination and Remuneration Committee:

Received by: _____

Date received: _____

Shrivastava

