



# Ceinsys Tech Limited

## Ceinsys Employee Stock Option Plan 2024 ("Plan")

**Ceinsys Tech Limited**

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

- 1.1 This Employee Stock Option Plan shall be called '**Ceinsys Employee Stock Option Plan 2024**' ("**Plan**").
- 1.2 The Company believes in rewarding its employees as well as that of the subsidiary companies, for their continuous hard work, dedication and support, which has led the Company and its subsidiary companies on the growth path. For this, the Ceinsys Employee Stock Option Plan – 2024 ("**ESOP 2024**" / "**Plan**") has been designed to provide incentives to identified employees of the subsidiaries including step-down subsidiaries ("**subsidiary/subsidiaries**") of the Company, whose contribution is important to the success of the Company, by offering the employees an opportunity to participate in the Company's future performance, through award of employee stock options in relation to the Shares of the Company.
- 1.3 The Plan is established with effect from **April 29, 2024** on which the shareholders of the Company have approved it ("**Effective Date**") and is further amended on **December 21, 2024** and shall continue to be in force until (i) the close of business on the day preceding the fifth (5th) anniversary of the Effective Date, or (ii) the date on which all Shares available for issue under the Plan shall have been issued and allotted pursuant to the exercise of Options by the Option Grantee, whichever is earlier.
- 1.4 The Nomination and Remuneration Committee ("**Committee**") may subject to compliance with Applicable Law, at any time alter, amend, suspend, or terminate the Plan.

## 2. Definitions and Interpretation

### 2.1 Definitions

- i. "**Applicable Law**" means every law relating to Options, employee stock options by whatever name called, including and without limitation to the Companies Act, 2013 and the rules framed thereunder, Securities and Exchange Board of India Act 1992 ("**SEBI**"), SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SBEB Regulations**") and includes any statutory modifications or re-enactments thereof, Foreign Exchange Management Act, 1999 and all relevant tax, securities, exchange control or corporate laws of India or of any relevant jurisdiction or of any recognized Stock Exchange on which the Shares are listed or quoted.
- ii. "**Board**" means the Board of Directors of the Company.
- iii. "**Committee**" means the nomination and remuneration committee constituted by the Board from time to time, to administer and supervise the Plan and other employee benefit plan/schemes, if any, comprising of such members of the Board as provided under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and having such powers as specified under the SBEB Regulations read with powers specified in this Plan.

- iv. **“Companies Act”** means the Companies Act, 2013 read with rules issued thereunder from time to time and includes any statutory modifications or reenactments thereof.
- v. **“Company”** means **“Ceinsys Tech Limited”**, a company registered in India under the provisions of the Companies Act, 1956, having CIN: L72300MH1998PLC114790 and having its registered office at 10/5, IT Park, Nagpur - 440022.
- vi. **“Company Policies/Terms of Employment”** means the Policies for Employees and the Terms of Employment as contained in the employment letter of the identified employees and the respective employer company handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other employees and customers.
- vii. **“Death”** for the purpose of this Plan shall mean death of an Employee during the continuance of employment or service, and any other reason(s) specified, if any, under the human resource policy of the Company.
- viii. **“Director”** means a member of the Board of the Company.
- ix. **“Eligible Employee”** means employees identified by the Committee, who will be entitled to the Options under the Plan.
- x. **“Employee”** means
  - (i) an employee, who is exclusively working in India or outside India,
  - (ii) a Director, whether whole time director or not including a non-executive director who is not a Promoter or member of the Promoter Group
 of the subsidiary company, in India or outside India but does not include—
  - 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 anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company; and
  - c. a Director being an Independent Director.
- xi. **“Employee Stock Option”** means an 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.
- xii. **“Exercise”** of an Option means expression of an intention by an Option Grantee to the Company to purchase the Shares underlying the Options vested in him/her, in pursuance of the Plan, in accordance with the procedure laid down by the Company for Exercise of Options.
- xiii. **“Exercise Period”** means such time period after Vesting within which the Option Grantee should exercise the Options vested in him/her in pursuance of the Plan.
- xiv. **“Exercise Price”** means the price payable by an Option Grantee in order to exercise the Options granted to him/her in pursuance of the Plan.

- xv. **“Grant”** means issue of Options to the Eligible Employee under the Plan.
- xvi. **“Grant Date”** means the date of the meeting of the Committee in which Grant of Options to the Eligible Employee are approved or any such date which may be determined by the Committee as the Grant date.

**Explanation:** For accounting purposes, the Grant Date will be determined in accordance with applicable accounting standards.

- xvii. **“Independent Director”** means a Director within the meaning of Section 149(6) of the Companies Act read with Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- xviii. **“Market Price”** means the latest available closing price on the Stock Exchange on which the Shares of the Company are listed, immediately prior to the Relevant Date.

**Explanation** – If Shares are listed on more than one Stock Exchange, then the closing price of the Shares on the Stock Exchange having higher trading volume shall be considered as the Market Price.

- xix. **“Merchant Banker”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, which is registered under Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992).

- xx. **“Misconduct”** means any of the following acts or omissions by an Employee in addition to any provisions prescribed in the offer or Terms of Employment amounting to violation or breach of Terms of Employment as determined by the Company after giving the Employee and opportunity of being heard:

- a. committing of any act warranting summary termination under law; or
- b. conduct which in the reasonable opinion of the Company amounts to a serious breach by an option Grantee of the obligation of trust and confidence to his employer; or
- c. a finding by the Company that an Employee has committed any material or consistent breach of any of the terms or conditions of Employee service agreement including any willful neglect of or refusal to carry out any of his duties or to comply with any instruction given to him/her by the Company; or
- d. being convicted of any criminal offence; or
- e. being disqualified from holding office in the Company or any other company under any legislation or being disqualified or disbarred from membership of, or being subject to any serious disciplinary action by, any regulatory body within the industry, which undermines the confidence of the Company in the individual’s continued employment; or

- f. having acted or attempted to act in any way which in the opinion of the Company has brought or could bring the Company or any other Group member into disrepute or discredit;
  - g. breach or violation of any Company Policies/ Terms of Employment; and
  - h. Any other not included above but defined as misconduct in the Company's rules or Employee handbook and / or employment agreement and/or appointment letter.
- xxi. **"Option"** means Employee Stock Options within the meaning of the Plan.
- xxii. **"Option Grantee"** means an Eligible Employee who has been granted an Option and has accepted such Grant as required under the Plan and shall deem to include nominee/ legal heir of an Option Grantee in case of his/her death to the extent the provisions of the Plan are applicable to such nominee/ legal heir.
- xxiii. **"Permanent Incapacity"** 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 Committee based on a certificate of a medical expert identified by the Company.
- xxiv. **"Promoter"** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended.
- xxv. **"Promoter Group"** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended.
- xxvi. **"Relevant Date"** means any of the following dates as the context requires:
- (i) in the case of Grant, the date of the meeting of the Committee on which the Grant is made; or
  - (ii) in the case of Exercise, the date on which the notice of Exercise is given to the Company by the Option Grantee
- xxvii. **"Retirement"** means retirement as per the rules of the Company.
- xxviii. **"SBEB Regulations"** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and reenacted from time to time, and includes any clarifications or circulars issued thereunder.
- xxix. **"Secretarial Auditor"** means a company secretary in practice appointed by a company under Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 to conduct secretarial audit pursuant to regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- xxx. **“Shares”** means equity shares of the Company of face value of Rs. 10 (Ten) each fully paid-up including the equity shares arising out of the Exercise of Options granted under Plan.
- xxxi. **“Stock Exchange”** means the BSE Limited (BSE) or any other recognized stock exchanges in India on which the Company’s Shares are listed or to be listed.
- xxxii. **“Unvested Option”** means an Option in respect of which the relevant Vesting Conditions have not been satisfied and as such, the Option Grantee has not become eligible to exercise the Option.
- xxxiii. **“Vested Option”** means an Option in respect of which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible to exercise the Option.
- xxxiv. **“Vesting”** means earning by the Option Grantee, of the right to Exercise the Options granted to him/her in pursuance of the Plan.
- xxxv. **“Vesting Condition”** means any condition subject to which the Options granted would vest in an Option Grantee.
- xxxvi. **“Vesting Period”** means the period during which the vesting of the Option granted to the Employee, in pursuance of the Plan takes place.

## 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; and
- e) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.
- f) for the purposes of any calculation under this Plan 2023 any fraction will be rounded up or down to the nearest integer;
- g) reference to any statute, rules, regulations, or notification shall include any amendment, modification, substitution or re-enactment thereof.
- h) the terms defined above, including their grammatical variations and cognate expressions, shall, unless repugnant to the context or meaning thereof, for the purposes of this Plan have the meanings herein specified and terms not defined above shall have the meanings as defined in the Companies Act or Applicable Law including SBEB Regulations, as the context requires; and

- i) Words / phrases and expressions used and not defined here but defined in the SBEB Regulations, Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Companies Act, and any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislation, as the context requires.

### **3. Authority and Ceiling**

- 3.1 The shareholders of the Company by way of special resolution dated **April 29, 2024** approved the Plan authorizing the Committee to grant not exceeding **13,00,000 (Thirteen Lakhs)** Options to the Eligible Employee in one or more tranches, from time to time, which in aggregate is exercisable into not more than **13,00,000 (Thirteen Lakhs)** Shares of face value of Rs.10 (Ten) each fully paid up, with each such Option conferring a right upon the Eligible Employee to apply for one Share in the Company in accordance with the terms and conditions as may be decided by the Committee in accordance with the provisions of this Plan, SBEB Regulations and in due compliance with other Applicable Law under the Plan.
- 3.2 The maximum number of Options under the Plan that may be granted to the Option Grantee in any year and in aggregate shall not exceed **13,00,000 (Thirteen Lakhs)** Options at the time of Grant of Option.
- 3.3 Prior approval of shareholders of the Company in the general meeting by passing special resolution shall be obtained in case the Grant of Options to any identified Employee, in any one financial year, is equal to or exceeding 1% (one percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option.
- 3.4 If an Option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options pool as mentioned in sub-clause 3.1 and shall become available for future Grants, subject to compliance with all Applicable Law.
- 3.5 Where Shares are issued consequent upon exercise of an Option under the Plan, the maximum number of Shares that can be issued under Plan as referred to in Clause 3.1 above shall stand reduced to the extent of such Shares issued.
- 3.6 In case of a Share split or consolidation, if the revised face value of the Share is less or more than the current face value as prevailing on the date of coming into force of this Plan, the maximum number of Shares being granted under the Plan as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (number of Shares X face value per Share) prior to such Share split or consolidation remains unchanged after such Share split or consolidation.

### **4. Administration**

- 4.1 The Plan shall be administered by the Committee. All questions of interpretation of the Plan or any Option shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Plan or in any Option issued thereunder.
- 4.2 The Committee shall in accordance with this Plan and Applicable Law determine the following:



- (a) The quantum of the Option to be granted under the Plan per Eligible Employee, subject to the ceiling as specified in Para 3.1;
- (b) the Eligibility Criteria for Grant of Option to the Employees;
- (c) the specific Exercise Period within which the Eligible Employee should Exercise the Option and that Option would lapse on failure to Exercise the Option within the Exercise Period;
- (d) the specified time period within which the Eligible Employee shall Exercise the Vested Option in the event of termination or resignation of such Eligible Employee;
- (e) the right of an Eligible Employee to Exercise all the Options vested in him/her at one time or at various points of time within the Exercise Period;
- (f) the procedure for making a fair and reasonable adjustment to the number of Option 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 following shall be taken into consideration by the Committee:
  - (i) the number and the price of Option shall be adjusted in a manner such that total value of the Option remains the same after the corporate action; and
  - (ii) the Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Option Grantees.
- (g) the procedure and terms for the Grant, Vesting and Exercise of Option in case of Eligible Employees who are on long leave;
- (h) the conditions under which Option vested in Eligible Employees may lapse in case of termination of employment for Misconduct;
- (i) Determine the procedure for buy-back of Options granted under the Plan if to be undertaken at any time by the Company, and the applicable terms and conditions, including:
  1. permissible sources of financing for buy-back;
  2. any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
  3. limits upon quantum of Options that the Company may buy-back in a financial year;
- (j) Formulate suitable policies and procedures to ensure that there is no violation of Applicable Law, in relation to this Plan by the Company and the Employees;
- (k) The procedure for funding for Exercise of Options, as permitted under the Applicable Law; and
- (l) approve forms, writings and/or agreements for use in pursuance of the Plan.

- 4.3 The Committee shall also frame suitable policies and systems to ensure that there is no violation of (a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) (b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 (as amended from time to time) and (c) any other regulation as may be notified by the Securities and Exchange Board of India or any other authority from time to time, by the Company and any Employee.

## 5. Eligibility and Applicability

- 5.1 Employees to whom the Option would be granted, and their eligibility criteria shall be determined by the Committee.

## 6. Grant and Acceptance of Grant

### 6.1 Grant of Options

- (a) Grants contemplated under the Plan shall be made on such day and month as decided by the Committee at its discretion.
- (b) Each Grant of Option under the Plan shall be made in writing by the Company to the Eligible Employees by way of a letter of Grant containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Law.
- (c) Upon acceptance of the Grant in the manner described above, the Eligible Employees shall be bound by the terms, conditions and restrictions of the Plan and the Grant document. The Grantee's acceptance of the Grant of Options under the Plan, within the time period provided, shall constitute an agreement between the Option Grantee and the Company as to the terms of the Plan and the Grant document. The Option Grantee shall not be required to pay Exercise Price at the time of Grant and Vesting.

### 6.2 Acceptance of the Grant

The acceptance of the letter of Grant made under this Plan must be duly signed and shall be delivered to the Company on or before the date ("**Closing Date**") which shall not be more than **45 days** from the date of the Grant, as specified in the letter of Grant. On receipt by the Company of the signed acceptance, the Eligible Employees will become Option Grantee.

- 6.3 In case an Eligible Employee fails to deliver the signed acceptance of the letter of Grant on or before the Closing Date stated above, shall be deemed to have rejected the Grant unless the Committee determines otherwise.

## 7. Vesting Schedule and Vesting Conditions

- 7.1 The specific Vesting schedule and Vesting Conditions subject to which Vesting would take place shall be specified in the letter issued to the Option Grantee at the time of Grant.

Option granted under the Plan shall vest not earlier than minimum period of **1 (One)** year and not later than maximum period of **3 (Three)** years from the date of Grant.

**Provided that** in case where Options are granted by the Company under the Plan in lieu of options held by a person under a similar Plan 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/her may be adjusted against the minimum Vesting Period required under this Sub-clause in due compliance with the provisions of SBEB Regulations.

**Provided further that** in the event of Death or Permanent Incapacity of the Option Grantee, the minimum Vesting Period shall not be applicable and in such instances, all the Unvested Options shall vest in legal heir with effect from date of the Death and in him/her with effect from the date of Permanent Incapacity.

7.2 Vesting of Options would essentially be on the basis of continued tenure with the subsidiary of the Company. In addition to this, the Committee may prescribe the specific performance conditions to the Option Grantee in the letter of Grant issued to the respective Option Grantee. The specific Vesting Conditions, along with their respective weightages and any other pertinent terms subject to which Vesting would take place shall be specified in the letter of Grant issued to the Option Grantee at the time of Grant by the Committee.

7.3 As a prerequisite for a valid vesting, an Option Grantee is required to be in employment or service of the subsidiary of the Company on the date of Vesting and must neither be serving his notice for termination of employment/ service, nor be subject to any disciplinary proceedings pending against him/her on such date of Vesting. In case of resignation / termination from employment/ service, the provisions of serial number 2 in the table given in Sub-clause 8.2 of the Plan shall apply.

#### 7.4 **Vesting of Options in case of long leave**

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

### 8. **Exercise**

#### 8.1 **Exercise Price**

(a) The Exercise Price shall be specified in the letter issued to the Option Grantee at the time of the Grant.

(b) Payment of the Exercise Price shall be made by a crossed cheque, or a demand draft drawn in favor of the Company or in such other manner as the Company may decide from time to time.

#### 8.2 **Exercise Period**

(a) **Exercise while in employment:**

An Option Vested with an Option Grantee must be Exercised within 3 months from date of vesting (in maximum of 3 tranches for each vesting), and such exercise must only be in accordance with the Plan and the terms of the Letter of Grant.

**(b) Exercise in case of separation from employment:**

Subject to maximum Exercise Period stated above, the Vested Options can be exercised as under:

S. No.	Events of separation	Vested Options	Unvested Options
1	<p><b>Resignation/ Termination</b></p> <p><b>(Other than due to Misconduct or due to breach of Company Policies/ Terms of Employment)</b></p>	<p>In case of Resignation, all the Vested Options shall be exercised by the Option Grantee within 30 days from the date of resignation.</p> <p>In case of termination, all the Vested Options shall be deemed to have Vested immediately and automatically on the date of such termination, subject to minimum vesting period of one (1) year from the date of grant; and all such Vested Options which have not been exercised by such Option Grantee will be available for Exercise to the Option Grantee within a period of 30 days from his termination or 30 days from the date of vesting, whichever is later.</p>	<p>All the Unvested Options as on date of submission of resignation/termination shall stand <b>cancelled</b> with effect from date such resignation/termination.</p>
2	<p><b>Termination due to Misconduct or due to breach of Company Policies/ Terms of Employment</b></p>	<p>All the Vested Options at the time of such termination shall stand <b>cancelled</b> with effect from the date of such termination.</p>	<p>All the Unvested Options at the time of such termination shall stand <b>cancelled</b> with effect from the date of such termination.</p>

S. No.	Events of separation	Vested Options	Unvested Options
3	<b>Retirement</b>	All the Vested Options as on the date of Retirement can be exercisable by the Option Grantee <b>within a period of 6 (Six) months</b> from the date of Retirement.	All Unvested Options as on the date of Retirement would continue to vest in accordance with the original Vesting Schedule even after Retirement.  All such aforesaid Vested Options can be Exercised within a period of <b>6 (Six) months</b> from the date of such Vesting.
4	<b>Death</b>	All Vested Options may be exercised by the Option Grantee's legal heir or personal representatives immediately after, but in no event later than <b>6(six) months</b> from the date of Death of the Option Grantee.	All the Unvested Options as on date of death shall <b>vest immediately</b> in the Option Grantee's nominee or legal heir and can be exercised in the manner defined for Vested Options.
5	<b>Permanent Incapacity</b>	All Vested Options may be exercised by the Option Grantee, immediately after, but in no event later than <b>1 (One) year</b> from the date of such Permanent Incapacity.	All the Unvested Options as on date of incurring of such incapacity shall <b>vest immediately</b> in the Option Grantee and can be exercised in the manner defined for Vested Options.
6	<b>Termination due to reasons apart from those mentioned above</b>	The Committee shall 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 such termination shall stand <b>cancelled</b> unless otherwise required by Applicable Law.

8.3 The Options shall be deemed to have been exercised when an Option Grantee makes an application in writing to the Company or by any other means as decided by the Committee, for the issue of Shares against the Options vested in him/her, subject to payment of Exercise Price and compliance of other requisite conditions of Exercise.

#### **8.4 Lapse of Options**

The Options not exercised within the respective Exercise Periods prescribed in sub-clauses of Clause 8 shall lapse and be deemed to be cancelled on expiry of such Exercise Period. The Option Grantee shall have no right or recourse over such lapsed/ cancelled Options.

#### **9. Lock-in**

The Shares arising out of Exercise of Vested Options shall not be subject to any lock-in period from the date of allotment of such Shares under the Plan.

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

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

If the Company gets de-listed from all the recognized Stock Exchanges, then the Committee shall have the powers to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance of the Applicable Law.

#### **11. Restriction on transfer of Options**

11.1 The Option shall not be pledged, hypothecated, mortgaged, or otherwise alienated in any other manner.

11.2 Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case provisions at sub-clause 8.2(b) would apply.

11.3 No person other than the Option Grantee to whom the Option is granted shall be entitled to Exercise the Option except in the event of the death of the Option Grantee holder, in which case provisions at sub-clause 8.2(b) would apply.

#### **12. Rights as a shareholder**

12.1 The Option Grantee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a shareholder in respect of Options granted, till Shares underlying such Options are issued by the Company on Exercise of such Option.

12.2 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Company (for example, bonus shares, rights shares, dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Option Grantee exercises the Option and becomes a registered holder of the Shares of the Company.

12.3 In case of any corporate action (for example, bonus issue, right issue, share split, buyback, merger, sale of divisions, etc.) the Option Grantee shall not be eligible for any right or status of any kind as a shareholder of the Company. However, the necessary adjustments to the

number of Options or the Exercise Price or both would be made in accordance with sub-clause 4.2 (f) of the Plan.

### **13. Deduction/Recovery of Tax**

- 13.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this Plan and the Shares issued pursuant to Exercise thereof shall be entirely on Option Grantee. The Company shall have no obligation to deliver Shares until the tax deduction obligations, if any, are fulfilled by the Option Grantee.

### **14. Authority to vary terms**

- 14.1 For the purpose of efficient implementation and administration of the Plan but subject to the Applicable Law and approval of the shareholders of the Company by way of a special resolution, Committee may revise any of the terms and conditions in respect of existing or any new grant of Options provided that the variation is not prejudicial to the interest of the Employees.

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

- 14.2 The Committee may also re-price the Options which are not exercised, whether or not they have vested, if Plan is rendered unattractive due to fall in the price of the Shares.

### **15. Miscellaneous**

- 15.1 Government Regulations

This Plan shall be subject to all Applicable Law, and approvals from government authorities. The Grant and the allotment of Shares under this Plan shall also be subject to the Company requiring Option Grantee to comply with all Applicable Law.

- 15.2 Inability to obtain authority

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

- 15.3 The rights granted to an Option Grantee upon the grant of an Option 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).

- 15.4 The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to exercise an Option in whole or in part.

## 15.5 General Risks

Participation in the Plan 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.

## 16. Accounting and Disclosures

The Company shall follow the requirements including the disclosure requirements and IND AS 102 on Share-based payments and/ or any relevant accounting standards as may be prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 or any other appropriate authority, from time to time, including any guidance note on Accounting for employee share-based payments issued in that regard from time to time and the disclosure requirements prescribed therein, in compliance with relevant provisions of Regulation 15 of SBEB Regulations.

## 17. Certificate from Secretarial Auditors

The Committee shall at each annual general meeting place before the shareholders a certificate from the Secretarial Auditors of the Company that the Plan has been implemented in accordance with the SBEB Regulations and in accordance with the resolution of the Company in the general meeting.

## 18. Governing Laws

18.1 The terms and conditions of the Plan shall be governed by and construed in accordance with the Applicable Law including the Foreign Exchange Laws mentioned below.

### 18.2 Foreign Exchange Laws

The provisions of the Foreign Exchange Management Act, 1999 and rules or regulations made thereunder as amended and enacted from time to time shall be applicable and the Company has to comply with such requirements as prescribed from time to time in connection with Grant, Vest, Exercise of Options and issue of Shares thereof.

## 19. Notices

19.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this Plan 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; and/ or
- ii. Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; and/ 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.
- 19.2 All notices of communication to be given by an Option Grantee to the Company in respect of Plan shall be sent to the address mentioned below:

Nomination and Remuneration Committee

**Ceinsys Tech Limited**

**Address:** 10/5 IT Park, Nagpur – 440022.

**E-mail:** cs@ceinsys.com

## **20. Nomination**

The Employee has to nominate a person as his/her nominee. The nominee in case of death or legal incapacity of Employee shall be the legal representative recognized by the Company as the inheritor of the Employee in respect of all rights and liabilities for the purposes of this Plan.

## **21. Jurisdiction**

- 21.1 The Courts in Nagpur, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this Plan.
- 21.2 Nothing in this Sub-clause will however limit the right of the Company to bring proceedings against any Employee in connection with this Plan:
- (i) in any other court of competent jurisdiction; or
  - (ii) con-currently in more than one jurisdiction.

## **22. Listing of the Shares**

- 22.1 The Company shall not Grant Options under the Plan unless it obtains in-principle approval from the Stock Exchanges where it is listed.
- 22.2 The Company shall appoint a Merchant Banker for the implementation of the Plan upto in-principle approval from the Stock Exchanges where it is listed.
- 22.3 Subject to the approval of the Stock Exchange(s), the Shares issued and allotted on Exercise of the Options shall be listed on the recognized Stock Exchange(s) on which the Shares of the Company are listed.

## **23. Severability**

In the event any one or more of the provisions contained in this Plan shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this Plan, but the Plan shall be construed as if such invalid, illegal, or unenforceable provision had never been set forth

herein, and the Plan shall be carried out as nearly as possible according to its original intent and terms.

**24. Confidentiality**

24.1 An Option Grantee must keep the details of the Plan and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, co-employees or with any employee and/ or associate of the Company or that of its affiliates. In case Option Grantee is found in breach of this confidentiality Clause, the Company has undisputed right to terminate any agreement and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality Clause shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this clause, the Committee shall have the authority to deal with such cases as it may deem fit.

24.2 On acceptance of the Grant of Option offered by the Company, it shall be deemed that as if the Option Grantee has authorized the Company to disclose information relating to the Option Grantee during the process of implementation of the Plan or while availing any consulting or advisory services thereof or any other incidental services to its officers, professional advisors, agents and consultants on a need to know basis.

-----End of Plan-----