

**‘Minda – Employee Stock Option Scheme 2025’  
 (“ESOP 2025” or “Scheme”)**

**Minda Corporation Limited**

**CIN: L74899DL1985PLC020401**

**Regd. Office: A-15, Ashok Vihar, Phase -  
1, New Delhi, India, 110052**



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

1.1 This Employee Stock Option scheme shall be called '**Minda - Employee Stock Option Scheme 2025**' ("ESOP 2025" / "Scheme").

1.2 The objective of the Scheme is to attract, retain, motivate and reward the key Employees of the Company and Group Companies including Subsidiary and Associate Company(ies), for their performance and to motivate them to contribute to the growth and profitability of the Company. This Scheme would provide an incentive for the Employees to remain with the Company, or its Group Companies including Subsidiary or Associate Company and to reward those who have a share in the direct contribution to the success of the Company. This purpose is sought to be achieved through the Grant of Options to eligible Employees.

1.3 The Scheme is established with effect from **March 15, 2026**, on which date the shareholders of the Company have approved the Scheme by way of a special resolution and shall continue to be in force until its termination by the Board as per provisions of Applicable Law, or the date on which all of the Options available for Grant under the Scheme have been issued and exercised, whichever is earlier.

## 2. Definitions and Interpretation

### 2.1 Definitions

- i. "**Applicable Law**" means every law relating to Employee Stock Options by whatever name called, including but without limitation to the Companies Act 2013, Securities and Exchange Board of India Act 1992, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**ICDR Regulations**"), the Securities Contracts (Regulation) Act, 1956, ("**SCRA Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**"), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SBEB Regulations**"), as amended and enacted from time to time read with all circulars and notifications issued thereunder and all relevant tax, securities, exchange control or corporate laws of India or of any relevant jurisdiction or of any Stock Exchange on which the Shares are listed or quoted.
- ii. "**Associate Company(ies)**" shall have the same meaning as defined under Section 2(6) of the Companies Act and includes any present or future associate company of the Company.
- iii. "**Board**" means the Board of Directors of the Company.
- iv. "**Committee**" means the Nomination and Remuneration Committee designated as the Compensation Committee constituted by the Board from time to time, to administer and supervise the Scheme and other Employee benefit schemes, if any, comprising of such members of the Board as provided under Regulation 19 of the LODR Regulations, as amended from time to time and having such powers as specified under the SBEB Regulations read with powers specified in this Scheme.

- v. **“Companies Act”** means the Companies Act, 2013 read with rules issued thereunder from time to time and includes any statutory modifications or reenactments thereof.
- vi. **“Company”** means **“Minda Corporation Limited”**, a company registered in India under the provisions of the Companies Act, 1956, having CIN: L74899DL1985PLC020401 and having its registered office at A-15, Ashok Vihar, Phase - 1, New Delhi, India, 110052
- vii. **“Company Policies/Terms of Employment”** means the Company’s policies for Employees and the terms of employment as contained in the employment letter and the company handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other Employees and customers.

Explanation: For this clause, the Company includes Subsidiary and Associate Company to the extent Employees of the Subsidiary and Associate are covered.

- viii. **“Director”** means a member of the Board of the Company.
- ix. **“Eligibility Criteria”** means the criteria as may be determined from time to time by the Committee for granting the Options to the Employees.
- x. **“Employee”** means
  - (i) an employee as designated by the Company, who is exclusively working in India or outside India,
  - (ii) a Director of the Company, whether a whole-time Director or not, including a non-executive Director, who is not a Promoter or member of the Promoter Group but excluding an Independent Director, or
  - (iii) an Employee as defined in sub-clauses (i) and (ii), of a Group Company including Subsidiary or Associate Company(ies), 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 outstanding Shares of the Company.

- 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. **“ESOP 2025”** or **“Scheme”** means the **Minda - Employee Stock Option Scheme 2025** under which the Company is authorized to Grant Options to the Employees.
- xiii. **“Exercise”** of an Option means expression of an intention by an Employee to the Trust to purchase the Shares underlying the Options vested in him, in

pursuance of the Scheme, in accordance with the procedure laid down by the Company/ Trust for Exercise of Options.

- xiv. **“Exercise Period”** means such time period after Vesting within which the Employee should Exercise the Options vested in him in pursuance of the Scheme.
- xv. **“Exercise Price”** means the price payable by an Employee in order to Exercise the Options granted to him in pursuance of the Scheme.
- xvi. **“Grant”** means issue of Options to the Employees under the Scheme.
- xvii. **“Grant Letter”** means the formal communication as regards Grant made by the Company to the Employee containing specific details of the Grant.
- xviii. **“Grant Date”** means the date of the meeting of the Committee in which Grant of Options to the Employees is approved or any such date after the date of the meeting of the Committee, 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 provided under the SBEB Regulations.

- xix. **“Group Company”** shall refer to “Group” within the meaning of the SBEB Regulations.
- xx. **“Independent Director”** means a Director within the meaning of Section 149(6) of the Companies Act read with Regulation 16(1)(b) of the LODR Regulations, as amended.
- xxi. **“Market Price”** means the latest available closing price on the recognised 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.

- xxii. **“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 Committee after giving the Employee an opportunity of being heard:
  - (i) dishonest statements or acts of an Employee, with respect to the Company;
  - (ii) any misdemeanour involving moral turpitude, deceit, dishonesty, or fraud committed by the Employee;

- (iii) gross negligence, Misconduct or insubordination of the Employee in connection with the performance of his duties and obligations towards the Company, or Group Companies including Subsidiary or Associate Company(ies);
  - (iv) breach by the Employee of any terms of his employment agreement or the Company's policies or other documents or directions of Company;
  - (v) participating or abetting a strike in contravention of any law for the time being in force;
  - (vi) misconduct as provided under the labour laws after following the principles of natural justice; or
  - (vii) Any other terms and conditions as notified by the Committee from time to time.
- xxiii. "**Option(s)**" means Employee Stock Options within the meaning of the Scheme.
- xxiv. "**Option Grantee**" means an Employee who has been granted an Option and has accepted such Grant as required under the Scheme and shall deem to include nominee/ legal heir of an Option Grantee in case of his/her death to the extent provisions of the Scheme are applicable to such nominee/ legal heir.
- xxv. "**Permanent Incapacity/ 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 Committee based on a certificate of a medical expert identified by the Company.
- xxvi. "**Promoter**" shall have the same meaning assigned to it under the ICDR Regulations, as amended from time to time.
- xxvii. "**Promoter Group**" shall have the same meaning assigned to it under the ICDR Regulations, as amended from time to time.
- xxviii. "**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.
- xxix. "**Retirement**" means retirement as per the Company Policies.
- xxx. "**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.

- xxxi. “**Secretarial Auditor**” means a company secretary in practice appointed by the 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 LODR Regulations.
- xxxii. “**Shares**” means equity shares of the Company of face value of **Rs. 2 (Rupees Two)** each fully paid-up including the equity shares arising out of the Exercise of Options granted under the Scheme.
- xxxiii. “**Stock Exchange**” means National Stock Exchange of India Limited or BSE Limited or any other recognized stock exchange in India on which the Company’s Shares are listed.
- xxxiv. “**Subsidiary Company(ies)**” shall have the same meaning as defined under Section 2(87) of the Companies Act and includes any present or future subsidiary company of the Company.
- xxxv. “**MCL ESOS Trust**” or “**Trust**” means ‘**Minda Corporation Limited Employee Stock Option Scheme Trust**’ set-up by the Company for the administration of the Employee Stock Option Scheme(s) of the Company including this ESOP 2025 being authorized from time to time, to acquire, hold and transact in cash and Shares of the Company for the purposes of relevant Employee Stock Option Scheme(s) of the Company including this ESOP 2025.
- xxxvi. “**Trustee**” shall mean the person/ entity appointed as a trustee under the trust deed of the Trust to manage the affairs of the Trust.
- xxxvii. “**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.
- xxxviii. “**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.
- xxxix. “**Vest**” or “**Vesting**” means earning by the Option Grantee, of the right to Exercise the Options granted to him in pursuance of the Scheme.
- xl. “**Vesting Condition**” means any condition subject to which the Options granted would Vest in an Option Grantee.
- xli. “**Vesting Period**” means the period during which the vesting of the Option granted to the Employee, in pursuance of the Scheme takes place.

## 2.2 Interpretation

In this Scheme, unless the contrary intention appears:

- a) the clause headings are for ease of reference only and shall not be relevant 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 the Scheme 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 the Scheme 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, the Securities Contracts (Regulation) Act, 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 **March 15, 2026** approved the Scheme authorizing the Committee to Grant not exceeding **32,18,517 (Thirty-Two Lakhs Eighteen Thousand Five Hundred and Seventeen only) Options**, to the eligible Employees in one or more tranches, from time to time, in one or more tranches, exercisable into not more than same number of Shares.
- 3.2 ESOP 2025 Contemplates to use/transfer shares from Trust's Existing shareholding comprising of Shares acquired from primary/fresh issue by the Company. These shares were originally issued to the Trust for the purpose of issuing shares under ESOP 2017. However, the Company has transferred partial pool in ESOP 2025 amounting to **32,18,517 (Thirty-Two lakhs Eighteen thousand Five Hundred and Seventeen only) Options**, out of **37,18,517 (Thirty-Seven lakhs Eighteen thousand and Five Hundred and Seventeen only) Options** which were un-utilized under ESOP 2017.
- 3.3 Each Option conferring a right upon the Option Grantee to apply for one Share to be transferred by the Trust upon Exercise thereof, in accordance with the terms and conditions as may be determined by the Committee in accordance with the provisions of the ESOP 2025 and Applicable Law.
- 3.4 The maximum number of Options that may be granted to any specific Employee in aggregate (taking into account all grants) under this Scheme in a financial year shall not exceed 5,00,000 (Five Lakh only) Options at the time of Grant.

- 3.5 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.
- 3.6 If an Employee Stock Option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options reserve specified above and shall become available for future Grants, subject to compliance with the provisions of the Applicable Law.
- 3.7 Where Shares are transferred by the Trust consequent upon Exercise of an Option under the ESOP 2025, the maximum number of Shares that can be transferred under ESOP 2025 as referred to in clause 3.1 above shall stand reduced to the extent of such Shares transferred.
- 3.8 In case of a Share split or consolidation, if the revised face value of the Share is less or more than the current face value as prevailing on the date of coming into force of this Scheme, the maximum number of Shares available for being issued under ESOP 2025 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. For example, if the prevailing face value of each Share is Rs. 2 per Share and the revised face value after the Share split is Rupee 1 per Share, the total number of Shares available under ESOP 2025 would be (Shares reserved at sub-clause 3.1 x 2) Shares of Rupee 1 each. Similarly, in case of bonus issue, etc. the available number of Shares under ESOP 2025 shall be revised to restore the value.

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

##### **4.1 Supervision**

- (a) This ESOP 2025 shall be supervised by the Committee. All the functions relating to superintendence of this ESOP 2025 shall stand possessed with the Committee in which case the rights, powers, duties or liabilities of the Board to the extent delegated along with that contemplated under the Applicable Law. All questions of interpretation of this ESOP 2025 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in this ESOP 2025. Neither the Committee nor any of its members shall be liable for any actions taken in good faith for the implementation of the ESOP 2025. The Committee may rely upon the advice and assistance of any professional it deems appropriate in the implementation of the ESOP 2025.
- (b) The Committee, inter- alia, shall in accordance with this Scheme and Applicable Law determine the following:
- (i) The Eligibility Criteria for Grant of Options to the Employees;
  - (ii) The quantum of the Options to be granted under the Scheme per Employee, subject to the ceiling as specified in sub-clause 3.1 ,3.3 and 3.4;

- (iii) Terms and conditions in respect of Grant, Vesting and Exercise of Options by the Employees which may be different for different Employees or classes thereof falling in the same tranche of Grant of Options under the Scheme;
- (iv) The specific Exercise Period within which the Employee should Exercise the Option and that Option would lapse on failure to Exercise the Option within the Exercise Period;
- (v) The specified time period within which the Employee shall Exercise the Vested Option in the event of termination or resignation of an Employee;
- (vi) The right of an Employee to Exercise all the Options vested in him at one time or at various point of time within the Exercise Period;
- (vii) 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 stock split, rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the Committee:
  - a) 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
  - b) 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.
- (viii) The procedure and terms for the Grant, Vesting and Exercise of Employee Stock Option in case of Employees who are on long leave;
- (ix) the procedure for funding for Exercise of Options, as permitted under the Applicable Law;
- (x) Any matter relating to the Trust and aspects of administration of the ESOS 2025 by the Trust;
- (xi) Determine the procedure for buy-back of Options granted under the Scheme if to be undertaken at any time by the Company, and the applicable terms and conditions, including:
  - a) permissible sources of financing for buy-back;
  - b) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
  - c) limits upon quantum of Options that the Company may buy-back in a financial year;
- (xii) Formulate suitable policies and procedures to ensure that there is no violation of Applicable Law, in relation to this Scheme, by the Company and the Employees
- (xiii) The procedure for funding for Exercise of Options, as permitted under the Applicable Law; and
- (xiv) The procedure for cashless Exercise of Options, if thought expedient; and

- (xv) Approve forms, writings and/or agreements for use in pursuance of the Scheme.
- (c) 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) and (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) by the Trust, Company, Subsidiary Company (ies), Associate Company(ies) of the Company and any of its Employee.
- (d) Subject to the extent allowed under the Applicable Laws, the Committee shall have the right to delegate or authorize any officer of the Company, such power to do specific acts and things as may be deemed necessary in connection with the Scheme.

#### **4.2 Administration**

- (a) This Scheme shall be administered by the Trust to the extent aspects of such administration are delegated by the Committee as per the requirements of Applicable Law.
- (b) The Trust shall be governed subject to following terms and conditions:
- i) It shall not deal in derivatives and shall undertake only such transactions as permitted under the deed of Trust read with the provisions of the Applicable Law;
  - ii) The Trustees appointed or re-appointed from time to time shall be such persons as being not disqualified as prescribed under the Applicable Law; and
  - iii) The Trustees shall not vote in respect of the Shares held by the Trust.
- (c) The Trustees while administering the Scheme shall abide by the provisions contained therein, terms of the Grant, Vesting and Exercise as decided by the Committee and shall ensure compliance of the provisions of relevant Applicable Law as prevailing from time to time, in connection with dealing with the Shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed.

#### **5. Eligibility and Applicability**

- 5.1 Only Employees within the meaning of ESOP 2025 are eligible for being granted Options. The specific Employees to whom the Options would be granted, and their Eligibility Criteria shall be determined by the Committee upon recommendation of the Management of the Company.
- 5.2 The broad criteria for appraisal and selection may include parameters like minimum individual score as per performance appraisal system of the Company, tenure of association with the Company or Group Company including Subsidiary or Associate Company, as the case may be, criticality of the role, Company performance, and any such other criteria as may be deemed fit by the Committee.

5.3 This Scheme shall be applicable to:

- i. the Company (including any successor company thereof), its Employees; and
- ii. the Group Company including Subsidiary and Associate Company(ies) and their Employees, as defined in this Scheme.

**6. Grant and Acceptance of Grant**

6.1 Under ESOP 2025, Grants contemplated under the Plan shall be made on such day and month as decided by the Committee, subject to the fulfilment of the **performance-based allocation framework** outlined below.

6.2 For grant of Options under the Scheme, the Committee shall apply a **performance-based allocation framework**, wherein:

**Performance-Based Allocation Framework**

For granting options under the Scheme, the Committee shall apply the following principles:

- **Corporate Performance:** Grant eligibility will be linked to achieving specific corporate performance targets, including revenue (top-line) and EBITDA thresholds.
- **Market Capitalization:** Eligibility will also depend on meeting market capitalization milestones within the timeframe specified by the Committee.

The Committee shall be accountable to:

- Define grant parameters for individual employees or groups based on their roles.
- Assign relative weightages to each parameter as deemed appropriate.
- Assess and confirm the fulfillment of all conditions prior to granting options.

6.3 Each Grant of Option under the Scheme shall be made in writing by the Company to the eligible Employees fulfilling the Eligibility Criteria in a letter of Grant as may be approved containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Law.

**6.4 Acceptance of the Grant**

- (a) Any eligible Employee who wishes to accept the Grant made under this Scheme must deliver to the Company a duly signed acceptance of the letter of Grant on or before the date (“**Closing Date**”) which shall not be more than **30 (thirty) 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 Employee will become an Option Grantee.
- (b) Any eligible Employee who 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.

- (c) Upon acceptance of the Grant, the Employee henceforth as an Option Grantee, shall be bound by the terms, conditions and restrictions of the Scheme and the letter of Grant. No amount would be required to be paid by the Option Grantee at the time of Grant and Vesting.

## 7. Vesting Schedule and Vesting Conditions

- 7.1 Option granted under the Scheme shall Vest not earlier than a **minimum period of 1 (one) year** and not later than **maximum period of 5 (Five) years** from the date of Grant. The Committee subject to minimum and maximum ceiling of Vesting Period shall have the power to prescribe the vesting schedule for a particular Grant.

**Provided that** in case where Options are granted by the Company under the Scheme in lieu of options held by a person under a similar 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 in due compliance with the provisions of SBEB Regulations.

**Provided further that** in the event of death or Permanent Incapacity of an Option Grantee, the minimum Vesting Period of 1 (One) year shall not be applicable and in such instances, all the Unvested Options shall Vest with effect from date of the death or Permanent Incapacity.

**Provided further that** in case of Retirement, all the Unvested Options as on the date of Retirement would continue to Vest in accordance with the original vesting schedule even after the Retirement unless otherwise determined by the Committee in accordance with the Company’s Policies and provisions of the then prevailing Applicable Law.

- 7.2 The Vesting of Options shall be contingent upon the Employee's continued employment/ service with the Company or Group Company including Subsidiary or its Associate Company, as the case may be.
- 7.3 The specific Vesting schedule and Vesting Conditions subject to which Vesting would take place would be outlined in the grant letter given to the Employee at the time of Grant.
- 7.4 The Option Grantee who has tendered his/her resignation and is serving the notice period after resignation, such notice period shall not be considered for Vesting and all the Unvested Options as on date of resignation shall be cancelled forthwith. Further, the Option Grantee must not be subject to any disciplinary proceedings pending against him on such date of **Vesting**. In case of any disciplinary proceedings against any Grantee, the relevant Vesting shall be kept in abeyance until disposal of the proceedings. In case of reinstatement, Vesting shall happen as if there was no abeyance. In case of termination from employment, the provisions of serial number 2 in the table given in sub-clause 8.2(b) of the Scheme shall apply.

## 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 Committee.

## 8. Exercise

### 8.1 Exercise Price

- (a) The Exercise Price per Option shall be determined by the Committee which shall not be less than the face value of Shares of the Company.
- (b) The Exercise Price shall be specified in the letter issued to the Option Grantee at the time of the Grant.
- (c) Payment of the Exercise Price shall be made by a crossed cheque, or a demand draft drawn in favor of the Company/ Trust or in such other manner as the Committee may decide from time to time.

### 8.2 Exercise Period

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

The Exercise Period for Vested Options shall be a maximum of 1 **(One)** year commencing from the date on which the Options are vested, or such other shorter period as may be prescribed by the Committee at time of Grant. All the Vested Options can be exercised by the Option Grantee at one time or at various points of time within the Exercise Period.

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

The Vested Options can be exercised as under:

S. No.	Events of separation	Vested Options	Unvested Options
1.	<b>Resignation/ Termination (Other than due to Misconduct or breach of company policies/terms of employment)</b>	All the Vested Options as on the date of resignation/ termination shall be exercisable by the Option Grantee on or before the <b>last working day or Exercise Period</b> whichever is earlier.	All the Unvested Options as on date of submission of resignation/termination shall stand <b>cancelled</b> with effect from date such resignation/termination.

S. No.	Events of separation	Vested Options	Unvested Options
2.	<b>Termination due to Misconduct or due to material breach of Company policies/terms of employment</b>	All the Vested Options at the time of such termination shall stand <b>cancelled</b> with effect from the date of such termination.	All the Unvested Options at the time of such termination shall stand <b>cancelled</b> with effect from the date of such termination.
3.	<b>Retirement</b>	All the Vested Options as on the date of Retirement shall be exercisable by the Option Grantee within the Exercise Period.	All Unvested Options as on the date of Retirement would continue to Vest in accordance with the <b>original vesting schedule</b> even after the Retirement unless otherwise determined by the Committee in accordance with the Company Policies, if any, and provisions of the then prevailing Applicable Law.  Such aforesaid Vested Options can be exercised within <b>12 months</b> of Vesting.
4.	<b>Death</b>	All Vested Options may be exercised by the Option Grantee's nominee or legal heir within <b>12 months</b> from the date of death.	All the Unvested Options as on date of death shall Vest <b>immediately</b> in the Option Grantee's nominee or legal heir and can be exercised within <b>12 months</b> from the date of death.
5.	<b>Permanent Incapacity</b>	All Vested Options may be exercised by the Option Grantee within <b>12 months</b> from the date of Permanent Incapacity.	All the Unvested Options as on date of incurring of such incapacity shall Vest <b>immediately</b> with effect from such event to the Option Grantee and can be exercised within <b>12 months</b> from the date of Permanent Incapacity.
6.	<b>Transfer/ deputation to/ from Company/ Group Company/ Subsidiary/</b>	Exercise Period to remain the same as per the terms of the Grant.  In case of subsequent separation, treatment of Vested Options shall be as per	Vesting schedule and Exercise Period to remain same as per the terms of the Grant.  In case of subsequent separation, treatment of Unvested Options shall be as

S. No.	Events of separation	Vested Options	Unvested Options
	<b>Associate Company</b>	applicable circumstance mentioned in this table.	per applicable circumstance mentioned in this table.
7.	<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 can be exercised or not, and such decision shall be final.

8.3 The Options shall be deemed to have been exercised when the Option Grantee makes an application in writing complete in all respect to the Trust or by any other means as decided by the Committee, for transfer of Shares of the Company against the Vested Options.

#### 8.4 Lapse of Options

The Options not exercised within the respective Exercise Period prescribed in Sub-clauses of clause 8 shall lapse and be deemed to 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 issued and transferred under the Scheme shall not be subject to any lock-in period from the date of allotment or transfer of such Shares under the Scheme.

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

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

If the Company gets delisted from all the recognized Stock Exchange, then the Committee shall have the power to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance with the Applicable 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 Employee to whom the Option is granted shall be entitled to Exercise the Option except in the event of the death of the Option Grantee 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 transferred by the Trust upon 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 issue, rights issue, 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 4.1(b)(vii) of the Scheme.

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

- 13.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this Scheme and the Shares transferred pursuant to Exercise thereof shall be entirely on 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 or Group Companies including Subsidiary or Associate Company(ies) working abroad, if any.
- 13.2 The Company shall have the right to deduct from the Employee's salary or recover any tax that is required to be deducted or recovered under the Applicable Law. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.
- 13.3 The Company/Trust shall have no obligation to deliver Shares until the Company's tax deduction obligations, if any, have been satisfied by the Option Grantee in full.

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

- 14.1 Subject to the prior approval of the shareholders of the Company and Applicable Law, the Board may, if it deems necessary, vary the terms of the Options not yet exercised, provided that no such variation shall have a detrimental effect to the interest of the existing Option Grantees.

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

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

## 15. Miscellaneous

### 15.1 Government Regulations

This Scheme shall be subject to all Applicable Law, and approvals from government authorities. The Grant and the transfer of Shares under this Scheme shall also be subject to the

requiring Employees 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 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 by being granted an Option on any other occasion.

- 15.4 The rights granted to an Option Grantee upon the Grant of an Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the Company, Subsidiary Company(ies) or Associate Company(ies) for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

- 15.5 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.

- 15.6 Participation in the 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.

## 16. Accounting and Disclosures

The Company shall follow the requirements including the disclosure requirements under IND AS 102 on Share-based payments and/ or any relevant accounting standards as may be prescribed by the Central Government in terms of Section 133 of the Companies Act or any other appropriate authority, from time to time, including any

guidance note on accounting for Employee share-based payments issued in that regard from time to time and the disclosure requirements prescribed therein, in compliance with relevant provisions of Regulation 15 of 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 Scheme 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 Scheme shall be governed by and construed in accordance with the Applicable Law including the Foreign Exchange Laws mentioned below.

##### **18.2 Foreign Exchange Laws**

In case any Options are granted to any Employee being resident outside India, the provisions of the Foreign Exchange Management Act, 1999 and rules or regulations made thereunder as amended and enacted from time to time shall 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. Any loss that occurred on account of fluctuations in the foreign exchange rate will be solely borne by the Option Grantee.

#### **19. Notices**

19.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this Scheme shall be in writing. 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 to 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 Scheme shall be sent to the address mentioned below:

**Minda Corporation Limited – Company Secretary**  
**Address: A-15, Ashok Vihar, Phase - 1, New Delhi, India, 110052**  
**E-mail: [pmann@mindacorporation.com]**



**20. Nomination**

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

**21. Jurisdiction**

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

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 Scheme:

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

**22. Severability**

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

**23. Confidentiality**

23.1 An Option Grantee must keep the details of the Scheme and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, co-Employees or with any Employee and/ or associate of the Company or that of its affiliates. In case the 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 the event 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.

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

-----End of Scheme-----

