ANNEXURE - A

Employee Stock Option Scheme 2025

S. K. Gupta & Co.
KANPUR
Company Secretaries

Lohia Corp Limited

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

1.1 This Employee Stock Option Scheme shall be called **'LCL Employee Stock Option Scheme 2025' ("ESOS 2025"/ "Scheme").**

1.2 The objective of this Scheme is to reward the eligible Employees for their association, dedication and contribution to the goals of the Company. The Company also intends to use this Scheme to attract and retain key talents by way of rewarding their performance and motivating them to contribute to the overall corporate growth and profitability of the Company. The Company views Employee Stock Options as instruments that would enable the Employees to get a share in the value, they create for the Company in the years to come.

1.3 The Scheme is established with effect from June 21, 2025, on which the shareholders of the Company have approved the Scheme by way of a special resolution and shall continue to be in force until (i) its termination by the Company in due compliance with the provisions of the Applicable Laws, or (ii) the date on which all of the Employee Stock Options available for issuance under the Scheme have been granted and Exercised, whichever is earlier.

2. **Definitions and Interpretation**

2.1 Definitions

i. **"Applicable Law"** means every law relating to Employee Stock Options in force, to the extent applicable, including, without limitation, the Companies Act, Securities and Exchange Board of India Act, 1992, SBEB Regulations, Companies (Share Capital and Debenture) Rules, 2014, Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (each as amended from time to time), particularly in connection with or after listing, and all relevant revenue, 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 or will be listed. The Applicable Law includes any provision of the applicable law, statute, rules, bye-laws, guidelines, regulations, instructions, communications, notifications, circular(s) or any other similar form of directives issued by the competent authority under the relevant applicable laws.

ii. "**Associate Company**" shall have the meaning ascribed to it under the Companies Act.

iii. **"Board"** means the Board of Directors of the Company, as constituted from time to time.

iv. **"Committee"** means the Nomination and Remuneration Committee constituted or reconstituted by the Board from time to time under Section 178 or any other relevant provisions of the Companies Act, to administer and supervise the Scheme and other employee benefit scheme/schemes, if any, comprising of such members of the Board as provided under Regulation 19 of the Securities and Exchange Board of India (Listing

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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 thereunder and under this Scheme.

v. **"Companies Act"** means the Companies Act, 2013, as amended from time to time, and rules made thereunder and includes any statutory modifications or re-enactments thereof.

vi. **"Company"** means 'Lohia Corp Limited', a company incorporated under the provisions of the Companies Act, 2013 having its registered office at D-3/A, Panki Industrial Estate, Kanpur, Uttar Pradesh-208022 India. Provided that, where the context so requires, the term Company shall include the Group Company (including Holding Company, Subsidiary Company and Associate Company), as applicable.

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.

viii. **"Director"** means a director on 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"** prior to Listing, means

a) a permanent employee of the Company who has been working in India or outside India; or

b) a Director of the Company, whether a whole-time director or not but excluding an Independent Director; or

c) an employee as defined in sub-clauses (a) or (b), of Subsidiary(ies), in India or outside India, or of a Holding Company of the Company but does not include:

i, an employee who is a Promoter or a person belonging to the Promoter Group; and

ii. a director who either by himself /herself or through his/her relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

Provided that upon Listing the term "Employee" shall have meaning as under:

a) an employee as designated by the Company, who is exclusively working in India or outside India; or

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b) 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

c) an employee as defined in sub-clauses (a) or (b), of a Group Company including Subsidiary(ies) or its Associate Company, in India or outside India, or of a Holding Company of the Company, but excludes:

(i) an employee who is a Promoter or belongs to the Promoter Group; and

(ii) a Director, who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company.

Provided that an Employee of a Group Company, including Subsidiary(ies) or an Associate Company or Holding Company of the Company, shall be eligible to participate in the Scheme subject to prior approval of the shareholders by way of separate special resolution.

xi. **"Employee Stock Option"** or **"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. **"ESOS 2025"** or **"Scheme"** means the 'LCL Employee Stock Option Scheme 2025' under which the Company is authorized to grant Options to the Employees.

xiii. **"Exercise"** means making of an application by an Option Grantee to the Company for issue of Shares against Vested Options in pursuance of the Scheme, in accordance with the procedure laid down in the Scheme for such exercise.

xiv. **"Exercise Period"** means such time period after Vesting within which the Option Grantee should exercise the Options vested in him in pursuance of the Scheme.

xv. **"Exercise Price"** means the price payable per Option by an Option Grantee in order to exercise the Options vested in him in pursuance of the Scheme.

xvi. **"Fair Market Value"** prior to Listing, means the value of a Share of the Company as determined by a registered valuer as per provisions of the Companies Act, for the time being in force, appointed by the Company.

Provided that upon Listing, the term 'Fair Market Value' shall refer to "Market Price" within the meaning of the SBEB Regulation.'

xvii. **"Grant"** means the process by which the Company shall issue Options to the Employees under the Scheme.

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xviii. **"Grant Date"** means the date on which the Committee approves the Grant of Options to the Employees.

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

xix. "**Group" or "Group Company**" shall have the meaning ascribed to it under the SBEB Regulations.

xx. "**Holding Company**" shall have the meaning ascribed to it under the Companies Act.

xxi. **"Independent Director"** means an independent Director within the meaning of the Companies Act and upon Listing shall have the meaning as defined under the SBEB Regulations.

xix. **"Listing"** means listing of the Shares of the Company on any Recognized Stock Exchange(s).

xx. **"Lock-in Period"** means the time period during which an Option Grantee cannot transfer the Shares allotted under this Scheme.

xxi. **"Market Price"** in relation to Shares of the Company upon Listing means the latest available closing price of Shares as determined under the SBEB Regulations.

xxii. **"Misconduct"** means any of the following acts or omissions by an Employee in addition to breach of any provisions prescribed in the Company Policies/ Terms of Employment amounting to violation of terms of employment or service as determined by the Company after giving the Employee an opportunity of being heard:

a. dishonest statements or acts of an Employee, with respect to the Company or any other entity having any business interest of the Company;

b. a felony or any misdemeanor involving moral turpitude, deceit, dishonesty or fraud committed by an Employee;.

c. gross negligence, misconduct or insubordination of an Employee in connection with the performance of his/her duties and obligations;

d. breach by an Employee of any terms of his/her employment agreement or other documents or directions of Company;

e. participating or abetting a strike in contravention of any law for the time being in force; and

f. misconduct as provided under the applicable labour laws.

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xxiii. **"Option Grantee"** means an Employee who has been granted Option(s) in pursuance of the Scheme and shall include the legal heir or nominee in case of death of such Employee while in employment or service.

xxiv. **"Permanent Incapacity"** means any incapacity 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.

xxv. **"Promoter"** means a person

i. who has been named as such in a prospectus or is identified by the Company in the annual return;

ii. who has control over the affairs of the Company, directly or indirectly whether as a shareholder, Director or otherwise; or

iii. in accordance with whose advice, directions or instructions the Board is accustomed to act:

Provided that nothing in Sub-clause (iii) shall apply to a person who is acting merely in a professional capacity.

Provided further that upon Listing, the term "Promoter" defined hereinabove shall have meaning as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

xxvi. **"Promoter Group"** means (a) an immediate relative of the Promoter (i.e. spouse of that person, or any parent, brother, sister or child of the person or of the spouse); (b) persons whose Shareholding is aggregated for the purpose of disclosing 'Shareholding of the promoter group' in any document as per the Applicable Laws.

Provided that upon Listing, the term "Promoter Group" defined hereinabove shall have meaning as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

xxvii. **"Recognized Stock Exchange"** means BSE Limited, the National Stock Exchange of India Limited or any other recognised stock exchange in India on which the Company's Shares are listed or are to be listed in the future.

xxviii. **"Retirement"** means retirement and superannuation as per the rules of the Company.

xxix. **"SBEB Regulations"** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and enacted from time to time read with all circulars and notifications issued thereunder.

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xxx. **"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 and Section 204 of the Companies Act.

xxxi. **"Shares"** means fully paid-up equity shares of face value of Re. 1 (Rupee One) each ' of the Company.

xxxii. **"Subsidiary"** means a subsidiary company of the Company as determined under the provisions of the Companies Act.

xxxiii. **"Unvested Option"** means an Option in respect of which the relevant Vesting Conditions have not been yet satisfied and as such, the Option Grantee has not become eligible to exercise the Option.

xxxiv. **"Vesting"** means the process by which the Option Grantee becomes entitled to receive the benefit of the Grant made to him in pursuance of the Scheme.

xxxv. **"Vesting Condition"** means any condition determined by the Committee, 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 Scheme takes place.

xxxvii. **"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.

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) reference to a clause number is a reference to its sub-clauses;

c) words in singular number include the plural and vice versa;

d) words importing a gender include any other gender;

e) 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 Scheme any fraction of Options or Shares will be rounded up or down to the nearest integer;

g) in the context of an Employee of a Group Company, including a Subsidiary or an Associate Company or Holding Company (as the case may be), any

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reference to Company Policies/ Terms of Employment or Misconduct shall refer to the policies of such Company;

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 Scheme have the meanings herein specified and terms not defined above shall have the meanings as defined in the Companies Act or Applicable Laws including SBEB Regulations, as the context requires; and

i) words 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

3.1 The shareholders of the Company by way of a special resolution dated June 21, 2025, have authorized the Committee to grant a maximum of **50,00,000 (Fifty Lakh)** Options in aggregate to the Employees under the Scheme, exercisable into not more 50,00,000 (Fifty Lakh) Shares each fully paid-up to.be issued by the Company.

3.2 The maximum number of Options that may be granted to any specific Employee shall vary depending upon the designation and the appraisal / assessment process, but it shall not exceed **2,00,000 (Two Lakh)** Options per Employee, However, the Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to an Employee within this ceiling.

3.3 If an Option expires, lapses, gets cancelled, surrendered, or becomes un-exercisable due to any reason(s), it shall be brought back to the Options reserved and shall become available for future Grants, subject to compliance with the provisions of Applicable Law.

3.4 Where Shares are issued consequent upon Exercise of an Option under the Scheme, the maximum number of Shares that can be issued under the Scheme as referred to in Sub-clause 3.1 above shall stand reduced to the extent of such Shares issued by the Company.

3.5 In case of a Share split or consolidation or other corporate actions, if the revised face value of the Share is less or more than the face value as prevailing on the Grant Date, the maximum number of Shares available for issue under the Scheme 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. Thus, for example, if the prevailing face value of each Share is Re. 1 and the revised face value after the Share consolidation is Rs. 2 per Share, then the total number of Shares available under the Scheme would be (Shares reserved at Sub-Clause 3.1÷2)

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Shares of Rs. 2 each. Similarly, in case of bonus issue, rights issue, etc. the available number of Shares under the Scheme shall be revised accordingly.

3.6 Prior approval of shareholders of the Company in the general meeting by passing special resolution shall be obtained in case Grant of Options to any identified Employee, in any one 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.

3.7 The Company shall take prior approval from the shareholders of the Company by way of a special resolution to Grant Options to the Employees of the Group (including Subsidiary (ies) of the Company, Associate Company, Holding Company, as the case may be).

4. Supervision and Administration

4.1 The Scheme shall be supervised and administered by the Committee. All questions of interpretation of the Scheme shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Scheme.

4.2 The Committee shall in accordance with this Scheme and Applicable Law determine the following:

(a) the quantum of the Options to be granted under the Scheme per Employee and in aggregate, subject to the overall and individual ceiling as specified in Sub-clauses 3.1 and 3.2;

(b) the Eligibility Criteria for Grant of Options to the Employees;

(c) terms and conditions in respect of Grant, Vesting and Exercise of Options by the Option Grantees which may be different for different Employees or classes thereof falling in the same tranche of Grant of Options under the Scheme;

(d) the specified time period within which the Option Grantee shall exercise the Vested Options in the events of separation from the employment or service (including resignation or termination);

(e) the Exercise Period within which the Employee can Exercise the Options and that Options would lapse on failure to Exercise the same within the Exercise Period;

(f) the right of an Employee to Exercise all Options, as the case may be, Vested in him at one time or at various points of time within the Exercise Period;

(g) prescription of specific window periods for Exercise of Vested Options within the overall Exercise Period;

(h) the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of corporate actions such as rights

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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 Exercise Price of Options shall be adjusted in a manner such that total value of the Options remains the same after the corporate action; and

(ii) the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Option Grantees.

(i) the procedure and terms for the Grant, Vesting and Exercise of Option in case of Employees who are on long leave;

(j) the conditions under which Options may Vest in Option Grantee and may lapse in case of termination of employment for Misconduct;

(k) the procedure for buy-back of specified securities issued under the SBEB Regulations, if to be undertaken at any time by the Company and the applicable terms and conditions, including:

(i) permissible sources of financing for buy-back;

(ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and

(iii) limits upon quantum of specified securities that the Company may buy-back in a financial year.

Explanation – Specified securities means as defined under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

(l) the procedure for funding for Exercise of Options, as permitted under the Applicable Laws;

(m) approve forms, writings and/or agreements for use in pursuance of the Scheme; and

(n) any other related or incidental matters.

4.3 The Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the Company and the Employees, as applicable.

5. Eligibility and Applicability

5.1 Only Employees within the meaning of this Scheme are eligible for being granted Options under the Scheme. The specific Employees to whom the Options would be granted, and their Eligibility Criteria shall be determined by the Committee.

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5.2 The Scheme shall be applicable to the Company (and also to the Group (including Subsidiary(ies), Holding Company and/or Associate Company, as the case may be) to the extent any of its/ their Employees participate in the Scheme).

5.3 Appraisal process for determining the eligibility of the Employees shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association, performance during the previous years, potential contribution towards strategic growth, contribution to team building and succession and such other criteria as may be decided from time to time.

6. Grant and Acceptance of Grant

6.1 Grant of Options

(a) Grants contemplated under the Scheme shall be made on such day and month as decided by the Committee at its discretion.

(b) Each Grant of Option under the Scheme shall be made in writing by the Company to the eligible Employees by way of letter of Grant containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Laws.

6.2 Acceptance of the Grant

Any eligible Employee who intends 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")** as specified in the letter of Grant. On receipt by the Company of the signed acceptance, the eligible Employee will become an Option Grantee.

6.3 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.

7. Vesting Schedule and Vesting Conditions

7.1 Options granted under the Scheme shall vest not earlier than statutory minimum Vesting Period of **one year** and not later than **five years** commencing from the date of Grant of such Options.

Provided that in case where Options are granted by the Company under the Scheme in lieu of Options held by an employee 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.

Provided further that in the event of death or Permanent Incapacity of an employee, the minimum Vesting Period of one year shall not be applicable and in such instances, the Options shall vest on the date of death or Permanent Incapacity.

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7.2 Vesting of Options would be subject to continued employment or service, subject to the condition that the Option Grantee is not serving any notice of resignation or termination. The only exception of Vesting without continuation of employment or service shall be on account of death, Permanent Incapacity and Retirement (post-Listing).

7.3 Subject to above, the Options would vest essentially on the basis of continued tenure. Apart from this, the Committee may prescribe achievement of any performance condition(s) for Vesting as deemed appropriate. Unless the Eligibility Criteria factors-in performance of the Option Grantees for the purposes of the Grant, the Committee shall endeavor to impose mandatory performance Vesting Conditions for all or a part the Vesting of Options.

7.4 The specific Vesting schedule and Vesting Conditions subject to which Vesting would take place would be outlined in the letter of Grant issued to the Option Grantee.

7.5 Vesting of Options in case of Employee on long leave

The period of leave shall not be considered in determining the Vesting Period in the event an 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

i. For Options granted prior to Listing: Subject to the accounting policies and pricing regulations required to be followed under Applicable Law, including Regulation 15 and 17 of SBEB Regulations, the Exercise Price per such Option shall be subject to 40% (Forty percentage) discount to the initial public offer price.

ii. For Options granted post Listing: Subject to the accounting policies and pricing regulations required to be followed under Applicable Law, including Regulation 15 and 17 of SBEB Regulations, the Exercise Price per such Option shall be such as may be determined by the Committee subject to a maximum discount:

(a) up to 40% (Forty percentage) of initial public offer price, in case Grant is made within first 6 (six) months of Listing; and

(b) up to 40% (Forty percentage) of Market Price as on date of Grant, in case of Grant is made after first 6 (six) months of Listing.

8.2 Exercise Period

(a) **While in employment:** The Exercise Period shall be maximum period of **five years** from the date of respective Vesting or such other shorter period as may be decided by the Committee from time to time.

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(b) **Separation from employment or service:** The Options can be exercised as per provisions outlined below:

S. No.	Event of Separation	Vested Options	Unvested Options
1	**Resignation or termination** (other than due to Misconduct)	All the Vested Options as on date of submission of resignation or notice of termination may be exercised by the Option Grantee **within three months** from the date of resignation or termination.	All the Unvested Options on the date of submission of resignation or notice of termination shall expire with effect from that date.
2	**Termination due to Misconduct**	All the Vested Options which were not exercised at the time of such termination shall expire with effect from the date of such termination.	All the Unvested Options on the date of such termination shall expire with effect from date of such termination.
3	**Retirement**	All the Vested Options as on date of Retirement can be exercised by the Option Grantee within **twelve months** from the date of Retirement.	Prior to Listing, all the Unvested Options as on the date of Retirement shall expire with effect from that date. Post Listing, all the Unvested Options as on the date of Retirement would continue to vest in accordance with the original Vesting schedule even after Retirement and may be exercised within **twelve months** of Vesting.
4	**Death while in employment**	All the Vested Options as on date of death may be exercised by the	All the Unvested Options as on the date of death shall vest immediately and may

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S. No.	Event of Separation	Vested Options	Unvested Options
		deceased Option Grantee's nominee or legal heir immediately after, but in no event later than **twelve months** from the date of death.	be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than **twelve months** from the date of death.
5	**Permanent Incapacity while in employment**	All the Vested Options as on date of such Permanent Incapacity may be exercised by the Option Grantee, immediately after, but in no event later than **twelve months** from the date of such incapacity.	All the Unvested Options as on the date of such Permanent Incapacity shall vest immediately and can be exercised by the Option Grantee immediately after, but in no event later than **twelve months** from the date of such incapacity.
6	**Other reasons apart from those mentioned above**	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 separation shall expire with effect from that date unless otherwise required under Applicable Law.

8.3 <u>**Show cause notice or inquiry against Option Grantee**</u>: In the event that a show cause notice or an enquiry is being or has been initiated against the Option Grantee by the Company (whether during the employment or post termination of employment), then all Options (Unvested Options and Vested Options) Granted to the Option Grantee shall be kept in abeyance and the Option Grantee will not be permitted to Exercise any rights in respect thereof, until otherwise determined by the Committee.

8.4 The Options shall be deemed to have been Exercised when an Employee makes an application in writing to the Company complete in all respects or by any other means as decided by the Committee, for the issue of Shares against the Options vested in him.

8.5 The Options not Exercised within the Exercise Period shall lapse and the Employee shall have no right over such lapsed or cancelled Options.

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9. **Lock-in**

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

Provided that post Listing, the Shares issued on such Exercise cannot be sold/transfer for such period of time from the date of issue in terms of Code of Conduct for Prevention of Insider Trading of the Company read with Securities Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

10. **Restriction on transfer of Options**

10.1 Options shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

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

10.3 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, in which provisions in table under Sub-clause 8.2 (b) would apply.

11. **Rights as a shareholder**

11.1 The Employee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a shareholder in respect of Options granted, till the time shares are issued to them upon Exercise of such Options.

11.2 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.

11.3 If the Company issues bonus shares or rights shares, the Option Grantee shall not be eligible for the bonus or rights shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with Sub-clause 4.3 (f) of the Scheme.

12. **Taxation**

12.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this Scheme and the Shares issued pursuant to Exercise thereof shall be entirely on the Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder and/or Income Tax Laws of respective countries as applicable to eligible Employees of Company working abroad, if any.

12.2 The Company shall have the right to deduct from the Employee's salary or recover any tax that is required to be deducted or recovered under the Applicable Laws. In case of no continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.

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12.3 The Company 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.

13. Allotment of Shares after Listing

The Shares allotted and issued upon Exercise of the Vested Options shall be listed on the Stock Exchange(s) on which the Shares of the Company are listed. For this purpose, the Company shall obtain in-principle approval of the Recognized Stock Exchange(s) as per requirements of the SBEB Regulations.

14. Authority to vary terms

The Committee may, if it deems necessary, vary the terms of Scheme, subject to compliance of the requirements of the Applicable Laws and approval of the shareholders of the Company by way of a special resolution in a general meeting in such manner that such variation is not detrimental to the interest of the Employees.

Provided that post Listing, any changes pursuant to any regulatory obligation may be made without seeking shareholders' approval by special resolution.

Provided further that post Listing, Committee may re-price the Options, which are not exercised, if this Scheme is rendered unattractive due to fall in the Share price in the stock market, subject to approval of the shareholders by a special resolution. Provided that the Committee shall ensure that such re-pricing shall not be detrimental to the interest of the Option Grantee(s) and such re-pricing is in terms/compliance with the Applicable Laws.

15. Miscellaneous

15.1 Government Regulations

The Scheme shall be subject to all Applicable Laws to the extent applicable. The Grant of Options and issue of Shares to the Employees under this Scheme shall be subject to the Company requiring the Employees to comply with all Applicable Laws.

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 Laws, for the lawful issuance and sale of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of the failure to 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

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Company 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 equity investment. Any loss due to fluctuations in the market price of the Shares and the risks associated with the investments are that of the Option Grantee alone.

16. Accounting and Disclosures

16.1 The Company shall follow the laws/regulations applicable to accounting and disclosure related to Options, including but not limited to the Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the competent authorities from time to time, including the disclosure requirements prescribed therein.

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

16.3 Company shall comply with the disclosure and accounting requirements as prescribed under Regulations 14 and 15 of the SBEB Regulations respectively.

17. Certificate from the Secretarial Auditors

17.1 The Board 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 Laws 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 belonging to the Company or Group (including Subsidiary(ies), Holding Company, Associate Company, as the case may be), working 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.

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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 or electronic mode. The communications shall be made by the Company in any one or more of the following ways:

(i) Sending communication(s) to the address of the Option Grantee available in the records of the Company; or

(ii) Delivering the communications) to the Option Grantee in person with acknowledgement of receipt thereof; or

(iii) Emailing the communication(s) to the Option Grantee at the official email address provided, if any, by the Company to the Option Grantee during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.

19.2 Any communication to be given by an Option Grantee to the Company in respect of the Scheme shall be sent to the person at the address mentioned below or e - mailed at:

Designation	:	**Chief People Officer**
Address	:	**Lohia Corp Limited D-3/A, Panki Industrial Estate, Kanpur -208022, Uttar Pradesh, India.**

Or,

Email	:	**madhavi.golash@lohiagroup.com**

19.3 Any communication by an Option Grantee to the Company \ and vice versa, shall be deemed valid in case such communication is done on electronic platform adopted, if any, for the administration of the Scheme.

20. Jurisdiction

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

20.2 Nothing in this Clause shall 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) concurrently in more than one jurisdiction.

21. Severability

21.1 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

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Scheme in which case the Scheme shall be construed as if such invalid, illegal, or unenforceable provisions had never been set forth herein, and the Scheme shall be carried out as nearly as possible according to its original intent and terms.

22. Confidentiality

22.1 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 Option Grantee is found in breach of this Clause on confidentiality, 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 Clause on confidentiality shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this Clause, the Board/ Committee shall have the authority to deal with such cases as it may deem fit.

22.2 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.

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