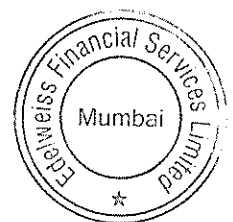
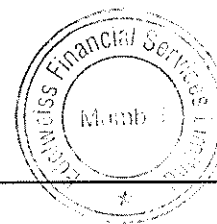


**Edelweiss Financial Services Limited**  
**Edelweiss Employees Stock Incentive Plan 2011**



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## 1 Name of the Plan

This Plan shall be termed the Edelweiss Employees Stock Incentive Plan 2011 ('Plan'). This Plan has been approved by the special resolution passed on April 26, 2011 by the shareholders of Edelweiss Financial Services Limited ('Edelweiss'). This Plan shall be effective from April 26, 2011 ('Effective Date').

## 2 Purpose of this Plan

Edelweiss has structured this Plan for its Employees. The purpose of this Plan is as under:

- a) To ensure commitment,
- b) To attract and retain key talent in the organization, and
- c) To foster ownership and financial motivation.

These purposes are sought to be achieved through this Plan to acquire the Shares of Edelweiss by the Employees.

Further, this Plan will also be implemented, for and on behalf of and at the request of the subsidiary companies and associate companies (as defined under the Companies Act, 2013) of Edelweiss, for the Employees of the subsidiary companies and associate companies. The purpose of this Plan is also to reward and retain the Employees of the subsidiary companies and associate companies for high levels of individual performance and for unusual efforts to improve the financial performance of the respective subsidiary companies and associate companies, which will ultimately contribute to the success of Edelweiss. This purpose is sought to be achieved through the issue of Shares, for and on behalf of, and at the behest of the subsidiary companies and associate companies to their employees.

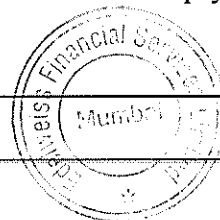
## 3 Definitions

In this Plan, except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against.

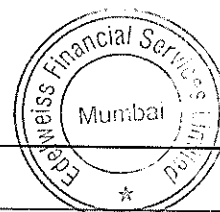
3.1 "Acceptance Form" shall mean the form that the Grantee has to submit indicating his acceptance of the Grant made to him to participate in this Plan.

3.2 "Beneficiary" or "Nominee" means the person, persons, trust or trusts designated by the Participant, or in the absence of any designation by the Participant, a person or persons who is or are entitled by the will of the Participant to receive the benefits specified in this Plan, the legal heirs of the Participant, if the Participant dies intestate, and includes the Participant's executors or administrator if no other beneficiary is designated and able to act under the circumstances, and such other persons as may be added from time to time to the class of beneficiaries by notice in writing and by the nomination form in the exercise of any powers conferred under this Plan or any other agreements forming part thereof.

- 3.3 "Board" or "Board of Directors" means the Board of Directors of Edelweiss.
- 3.4 "Book Value" means the book value of the equity shares of Edelweiss as per the last available audited balance sheet as determined by a chartered accountant in the manner prescribed under the SEBI Guidelines.
- 3.5 "Closing Date" means the last date on which the Grant of Options by Edelweiss to a Grantee can be accepted under this Plan. In case the last date is a non Working Day, then it shall be the immediately next Working Day.
- 3.6 "Committee" means the Compensation Committee of the Board consisting of majority of Independent Directors that has been constituted by the Board, *inter alia*, for administration and superintendence of this Plan pursuant to Clause 5.
- 3.7 "Company" shall mean Edelweiss, and shall, where the context so admits, include the subsidiaries and associates (as defined in the Companies Act, 2013) of Edelweiss.
- 3.8 "Corporate Action" shall have the meaning as understood under the SEBI Guidelines.
- 3.8A "Designated Window" shall mean the period of 21 days prior to the expiry of Options as may be notified by the Committee from time to time for the purposes of Clause 11A of this Plan. Such intimation shall be given atleast 7 days before the date of commencement of the Period.
- 3.9 "Edelweiss" means Edelweiss Financial Services Limited, a company limited by shares, incorporated and registered under the Companies Act, 1956 having its registered office at Edelweiss House, Off. C. S. T. Road, Kalina, Mumbai – 400 098.
- 3.10 "Eligible Employee" for the purpose of this Plan means the identified Employee(s) as per Clause 4.
- 3.11 "Employee" means:
- a permanent employee of Edelweiss working in or out of India;
  - a director of Edelweiss, whether a whole time director or not; or
  - an employee or director as defined in sub-clauses (a) or (b) of a subsidiary and of an associate (as defined under the Companies Act, 2013), in India or out of India of Edelweiss.
- 3.12 "Exercise" means making of an application by the Participant / Beneficiary to the Company for issue or transfer of Shares against the Vested Options held in pursuance of this Plan on payment of the Exercise Price.



- 3.13 "Exercise Date" means the date on which the Participant/ Beneficiary Exercises his Vested Options and in case of partial Exercise shall mean each date on which the Participant/Beneficiary Exercises part of his Vested Options.
- 3.14 "Exercise Period" means the period within which the Vested Options can be exercised and, subject to Clause 9 of this Plan, unless the Board/Committee decides otherwise, the Exercise Period of the Vested Options shall not be less than 12 months and more than 60 months from the date of Vesting or until the validity of this Plan i.e., June 30, 2030, whichever is later.
- 3.15 "Exercise Price" means the subscription or purchase price of each Share payable by the Participant / Beneficiary for exercising the Vested Options Granted to him as determined by the Board or the Committee in accordance with Clause 10 and shall be communicated in the Grant Letter.
- 3.16 "General Meeting" means a general meeting (including extraordinary general meeting) of the shareholders of Edelweiss held in accordance with the Articles of Association of Edelweiss and Applicable Laws.
- 3.17 "Grant" means the process by which a Grantee is given an Option.
- 3.18 "Grant Date" means the date on which the Options are Granted to a Grantee by the Company / Committee under this Plan.
- 3.19 "Grant Letter" means the letter by which Grant of an Option is communicated to the Grantee.
- 3.20 "Grantee" shall mean an Eligible Employee to whom an Option is Granted under this Plan.
- 3.21 "Independent Director" means a director of Edelweiss, not being a whole time director and who is neither a Promoter nor belongs to the Promoter Group.
- 3.22 "Market Price" means the latest available closing price, prior to the date of the meeting of the Board or the Committee in which Options are Granted, on the stock exchange on which the Shares are listed. If, at the relevant time, the Shares are listed on more than one stock exchange, then such latest available closing price of the Shares on the stock exchange where there is highest trading volume on the said date shall be considered.
- 3.23 "Option" means a right, but not an obligation, to acquire and be allotted a Share by Edelweiss, in each case at the Exercise Price.



3.24 "Participant" means a Grantee who accepts the Grant from the Company/ Committee to participate in this Plan pursuant to Clause 8.

3.25 "Plan" shall mean the Edelweiss Employees Stock Incentive Plan 2011 and shall include any alterations, amendments, additions, deletions, modifications, or variations thereof from time to time.

3.26 "Promoter" means:

- a) the person or persons who are in overall control of the Company; or
- b) the person or persons who are instrumental in the formation of the Company or programme pursuant to which the Shares were offered to the public; or
- c) the person or persons named in the offer document and/or other regulatory filings pursuant to the listing agreement entered into with the stock exchanges as Promoter(s).

*Provided* that the director or officer of the Company if he is acting as such only in his professional capacity will not be deemed to be a Promoter.

*Explanation:* Where a Promoter of the Company is a body corporate, the Promoters of the body corporate shall also be deemed to be Promoters of the Company.

3.27 "Promoter Group" means:

- a) an immediate relative of the Promoter (i.e. spouse of the Promoter or any parent, brother, sister or child of that person or of the spouse); and
- b) persons whose shareholding is aggregated for the purpose of disclosing in the offer document and/or the stock exchange filings as "shareholding of the promoter group".

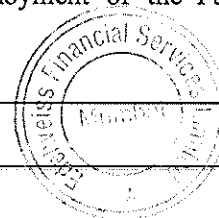
3.28 "Relative" shall have the meaning assigned thereto under the Companies Act, 1956/ Companies Act, 2013.

3.29 "SEBI Guidelines" means the Securities Exchange Board of India (Employee Stock Option Plan and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share Based Employee Benefits), Regulations, 2014 as may be applicable, as amended or substituted from time to time.

3.30 "Share" means an equity share of Edelweiss of face value of Re. 1/- each, and if the Board so determines securities convertible into equity shares and shall, if the Board so determines, include American Depository Receipts (ADRs), Global Depository Receipts (GDRs) or other depository receipts representing underlying equity shares or securities convertible into equity shares.

3.31 "Shareholder" means the registered holder of a Share in the share capital of Edelweiss.

3.32 "Termination Date" means the date of termination of employment of the Participant with the Company.

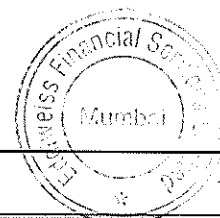


- 3.33 "Unvested Option" means an Option, which is not a Vested Option.
- 3.34 "Vesting" means the process by which the Participant/ Beneficiary is given the right to apply for Shares of Edelweiss against the Option Granted to him in pursuance to the Clause 9 below.
- 3.35 "Vesting Date" means the respective dates on and from which the Option Vests with the Participant / Beneficiary and thereby becomes exercisable in accordance with Clause 9 below.
- 3.36 "Vested Option" means an Option, which has Vested in pursuance of Clause 9 below with the Participant / Beneficiary and has thereby become exercisable.
- 3.37 "Vesting Period" means the period during which the Vesting of the Option Granted to the Participant under this Plan takes place.
- 3.38 "Working Day" means any day on which the offices of Edelweiss are open in Mumbai, India for the transaction of general business.
- 3.39 Construction
- a) Clause reference is to the clauses of this Plan.
  - b) The headings/ subheadings/ titles/ subtitles are only for the sake of convenience and shall not restrict or otherwise affect the interpretation, meaning or import of the Articles / Clauses, which shall be interpreted solely in light of the contents thereof.
  - c) Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
  - d) Any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in visible form.
  - e) The term 'including' shall mean 'including without limitation', unless otherwise specified.
  - f) Reference to any Act, Rules, Statute or Notification shall include any statutory modification, substitution or re-enactment thereof.
  - g) Unless the context otherwise requires, words denoting the masculine gender shall include the feminine gender and words denoting the singular shall include the plural and vice versa.

- h) "Applicable Laws" shall mean laws of India to the extent applicable and as amended, modified and substituted from time to time. Accordingly, any actions taken hereunder shall be governed by and construed in accordance with the laws of India, without regard to the application of the conflicts of laws' provisions thereof.

#### 4 Eligibility

- 4.1 Subject to Clauses 4.3 and 4.4 below, Employee(s) shall be entitled to participate in this Plan.
- 4.2 The Company / Board / Committee, at their discretion, will decide, on the basis of length of service, grade, performance, technical knowledge, leadership quality, merit contribution, conduct, future potential and such other factors whatsoever as they may deem appropriate, which Employees or class of Employees should be regarded as Eligible Employee under this Plan and accordingly, the Company / Committee may offer Options to the identified Eligible Employees under this Plan.
- 4.3 An Employee who is a
- Promoter; or
  - belongs to the Promoter Group; or
  - a director who either by himself or through his Relative or through any body corporate, directly or indirectly, holds more than 10 percent of the outstanding equity shares of the Company, shall not be eligible to participate in this Plan.
- 4.4 Where the Employee who is a director nominated by an institution as its representative on the Board shall be entitled to participate in this Plan only if a contract or agreement satisfactory to the Board or Committee has been entered into between the nominating institution and such director specifying, inter-alia, the following:
- (a) that the Options can be Granted to and accepted by such Employee in his capacity as a director of Edelweiss;
  - (b) that any Options granted to the director are not required to be renounced in favour of the nominating institution or any other person; and
  - (c) the conditions subject to which Options can be accepted by the director from Edelweiss.

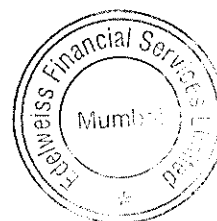




## 5 Administration of this Plan

This Plan shall be administered and supervised by the Committee, which may delegate its duties and powers in whole or in part as it may determine. The Committee is authorised to interpret this Plan, to establish, amend and rescind any rules and regulations relating to this Plan and to make any other determinations that it deems necessary or desirable for the administration and implementation of this Plan. The Committee may correct any defect, omission or reconcile any inconsistency in this Plan in the manner and to the extent the Committee deems necessary or desirable. Subject to the SEBI Guidelines, any decision of the Committee in the interpretation and administration of this Plan as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Grantee and/or Participant / Nominees and their beneficiaries or successors). The Committee shall, inter alia, have the power to do the following:

- a) Formulate and adopt forms, rules and regulations for implementing this Plan from time to time.
- b) Identify the Employees eligible to participate under this Plan.
- c) Grant Options to the identified Eligible Employee and determine the Grant Date under this Plan.
- d) Determine the number of Options to be Granted to each Grantee and in aggregate under this Plan.
- e) Determine the number of Shares to be covered by each Option Granted under this Plan.
- f) Determine whether the Shares covered by an Option will be Shares allotted by Edelweiss.
- g) Determine the method for Exercising the Vested Options, period of Exercise, etc. under this Plan.
- h) Determine the Exercise Price of the Options Granted under this Plan.
- i) Determine the terms and conditions, not inconsistent with the terms of this Plan of any Option / Shares Granted hereunder and, subject to Applicable Laws, modify or add to all or any of the rights and obligations of the Grantee / Participant / Beneficiary.



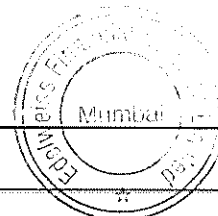
- j) Determine the terms and conditions under which Vested Option can lapse in case of termination of employment for misconduct under this Plan.
- k) Approve forms or agreements for use under this Plan.
- l) Decide all other matters in connection with an Option under this Plan in accordance with Clause 5.3 of SEBI Guidelines.
- m) Construe and interpret the terms of this Plan and the Options Granted pursuant to this Plan.
- n) Frame suitable policies, procedures and systems to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 to be followed by the Participant, the Company / Committee.
- o) Formulate various and / or separate sets of special terms and conditions in addition to those set out herein or in the terms of any Grant or Option, to apply to any Grantee(s) / Participant(s) / Beneficiary / (ies) or sets of Grantee(s) / Participant(s) / Beneficiary / (ies);
- p) Any other specific function as may be delegated to it by the Board of Directors and / or as may be required to be performed under Clause 5 of the SEBI Guidelines.

All decisions made by the Committee in the matters referred to above shall be conclusive and binding on all parties concerned (including, but not limited to, Grantee and / or Participant and their beneficiaries or successors). Neither the Company, nor the Committee shall be liable for any action or determination made with respect to this Plan or any Option Granted there under.

## 6 Share Pool

- 6.1 Subject to Clause 17 below, the maximum number of Shares that may be issued / transferred pursuant to Exercise of Options Granted to the Participant under this Plan shall not exceed 100,00,00,000 (One Hundred Crore Only). The Company reserves the right to increase or reduce such number of Shares as it deems fit.

Unless the Board or the Committee otherwise determines, all Options that have lapsed (including those having lapsed by way of forfeiture) shall be added back to the number of Options that are pending to be Granted or Shares pending to be allotted/transferred. The Board/Committee may make a Grant of such Options within the overall limit determined in accordance with this Plan.



## 7 Grant of Options / Shares

- 7.1 The Company / Committee may make a Grant of the Options / Shares to a Grantee in accordance with the terms and conditions of this Plan for the time being in force.
- 7.2 Subject to Clause 17 below, the maximum number of Options Granted per Participant per Grant will not exceed 10,00,00,000 Shares.
- 7.3 The Grant of the Options / Shares to the Grantee shall be made in writing and communicated to the Grantee. Such a Grant shall state the number of Options Granted, the Exercise Price and the Closing Date of accepting the Grant as per this Plan.
- 7.4 The Closing Date shall be determined by the Committee and, unless the Committee otherwise determines, shall be not more than two months from the Grant Date.
- 7.5 A Grant made under Clause 7.1 above, is personal to the Grantee and cannot be transferred or assigned in any manner whatsoever.

## 8 Method of acceptance

- 8.1 Any Grantee who wishes to accept the Grant made pursuant to Clause 7 above, must deliver an Acceptance Form, prescribed by the Committee from time to time, duly completed as required therein to the Committee on or before the Closing Date stated in the Grant Letter.
- 8.2 Any Grantee who fails to return the Acceptance Form on or before the Closing Date shall, unless the Committee / Board / Company determines otherwise, be deemed to have rejected the Grant. Any Acceptance Form received after the Closing Date shall not be valid.
- 8.3 Upon receipt of a duly completed Acceptance Form from the Grantee in respect of the Grant, the Grantee will become a Participant. The Committee may then issue to the Participant a statement, in such form as it deems appropriate, showing the number of Options to which the Participant is entitled pursuant to the acceptance of such Grant and the number of Shares to which the Participant will be entitled to subscribe pursuant to such Grant.
- 8.4 Subject to the terms contained herein, the acceptance in accordance with this Clause of a Grant made to a Grantee, shall conclude a contract between the Grantee and the Company, pursuant to which each Option shall, on such acceptance, be an Unvested Option.

## 9 Vesting of Options

- 9.1 Subject to Clauses 11.9, 12 and other Clauses of this Plan and continued employment of the Participant with the Company, and unless the Committee determines otherwise (which determination shall

not be contrary to the SEBI Guidelines), the Unvested Options shall Vest with the Participant within a period of not less than 12 months and not more than 60 months from the date of Grant and mentioned in the Grant Letters. The Committee may determine the Vesting Period either generally or with reference to any specific Employee or Employees. The Vesting may also be contingent on achievement of performance parameters as determined by the Committee or Board or any delegated authority. The decision with regard to achievement / non-achievement of the performance parameters by the Participant shall be at the sole discretion of the Board / Committee and will be final and binding upon the Participant.

- 9.2 Upon Vesting, the Vested Options shall be exercisable in accordance with the terms and conditions set forth under this Plan.
- 9.3 Subject to Clauses 12.1 and 12.2 of this Plan, Options which are not Vested shall automatically lapse after the Vesting Date and the contract referred to in Clause 8 above shall automatically be terminated without any liability on the Company.

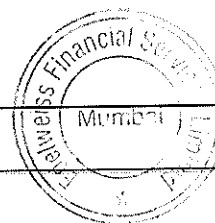
## 10 Exercise Price

Unless the Committee determines otherwise, whether generally or in respect of any specific Options, the Exercise Price of the Vested Option will be higher of:

- the closing Market Price of the Shares on the date of the Grant; or
- the Book Value of the Shares as per the last audited balance sheet as on the date of the Grant,

## 11 Exercise of Options

- 11.1 Subject to Clause 9 and Clause 12, a Participant alone can Exercise the Vested Options within the Exercise Period. Such Exercise may be of all or part of the Vested Options, subject to Clauses 11.2 and 11.9.
- 11.2 No Vested Option shall be exercisable in its fractional form.
- 11.3 Exercise of the Vested Options shall take place at the time and place designated by the Committee or the Company and by executing such documents as may be required by the Committee, the Company and also such further documents as may be required under Applicable Laws to pass a valid title of the relevant Shares to the Participant / Nominee, subject to any restrictions set out in the terms of the Grant or otherwise imposed by the Committee.
- 11.4 A Vested Option shall be deemed to be Exercised only when the Committee or any other person authorized by the Committee / Board receives notice of Exercise either written or electronic or in any other manner notified by the Committee / Company/ Board and the Exercise Price (in accordance with this Plan) from the person entitled to Exercise the Option.



- 11.5 On Exercise, the Participant can subscribe to or purchase the Shares on the full payment of the Exercise Price and applicable taxes (including but not limited to fringe benefits taxes, if any) as per Clause 18 below. The Company may deduct, withhold and set off any taxes in respect of the Grant, Vesting or Exercise of the Option or allotment / transfer of Shares. The Company may allot / transfer the Shares to the Participant, or if requested in writing by the Participant and acceptable to the Committee, to the Participant or Nominee or Nominee jointly with another person, provided (a) the Committee / Company finds the notice of Exercise complete and (b) conditions of this Plan are complied with.
- 11.6 No Participant / Nominee should seek to deal in or otherwise transfer the Shares until there is a confirmation from the Company that the listing procedures with respect to the allotted or transferred Shares have been completed. The Participant / Beneficiary shall deal in the Shares so acquired in accordance with suitable policies / rules / procedures framed by the Company / the Committee including those as required by Securities and Exchange Board of India.
- 11.7 Notwithstanding anything else contained under this Plan and, if the Participant / Nominee does not Exercise his Vested Options within the time specified in Clause 11.1 and Clause 12 then, unless the Committee determines otherwise, the Options shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 8 above shall stand automatically terminated without any liability to the Company.
- 11.8 Subject to the SEBI Guidelines, and unless the Committee decides otherwise, no Participant shall be entitled to make an Exercise if such Participant carries on or engages in, directly or indirectly, whether through partnership or as a shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise, any business which competes directly or indirectly with the whole or any part of the business carried on by the Company or any activity related to the business carried on by the Company. The decision of the Committee / Company in this regard shall be final and conclusive and cannot be called in question by the Participant. For the sake of clarity, the restriction contained in this Clause shall not apply to any investment held as a portfolio investment by the Participant or any activity/ business carried out by the Participant pursuant to his duties as an employee or director of the Company and shall not apply to the Nominee of the Participant.
- 11A.1 Notwithstanding anything to the contrary contained in this Plan or any Grant Letter but subject to applicable laws, Participant/Beneficiary may, during any Designated Window in the Exercise Period, opt to receive Cash Compensation in lieu of exercising the Options Vested.
- 11A.2 The Participant/Beneficiary desirous of availing this facility shall issue a request in writing in the prescribed form to the Committee that they are desirous of receiving Cash Compensation, in lieu of exercising the Options Vested.
- 11A.3 The term Cash Compensation for each Vested Option shall mean the positive difference between:  
(a) the closing market price of the Shares one day prior to the date on which the request under Clause 11A.2 is received by the Committee plus an addition of 5% to the closing market price and  
(b) the Exercise Price.
- 11A.4 The Cash Compensation shall be paid after deducting the taxes other amounts, expenses and charges, if any, payable by such Participant/Beneficiary.

11A.5 Upon receipt of such Cash Compensation, the Vested Options in respect of which request has been given by the Participant/Beneficiary shall be deemed to have lapsed in terms of this Plan without requiring any further acts, deed or writing from the Participant/Beneficiary, Committee or Company.

## 12 Termination of employment

### 12.1 On death of a Participant

In the event of death of a Participant while in employment with the Company, all the Unvested Options Granted to him till such date shall subject to the SEBI Guidelines Vest in the Beneficiary of the deceased Participant, subject to Clause 11.9. Subject to Clauses 11.2 and 11.9 and other provisions of this Plan, all the Vested Options (including those that have Vested pursuant to the preceding sentence) shall be permitted to be Exercised in accordance with Clause 11.5 within 1 (One) year from the date of Vesting or before the expiry of the Exercise Period as per Clause 11.1, whichever is earlier unless the Committee decides otherwise. Any Vested Options not Exercised within this aforesaid period shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 8 above shall stand automatically terminated without any liability to the Company.

### 12.2 On disability of Participant

In the event of the termination of a Participant's employment with the Company as a result of permanent incapacity (i.e. incapacity to engage in work as a result of sickness, mental disability or otherwise or by reason of an accident), all the Unvested Options Granted to him till such date of permanent incapacitation shall Vest in him, subject to Clause 11.9. Subject to Clauses 11.2 and 11.9 and other provisions of this Plan, all the Vested Options (including those that have Vested pursuant to the preceding sentence) shall be permitted to be Exercised in accordance with Clause 11.5 within 1 (One) year from the date of termination or before the expiry of the Exercise Period as per Clause 11.1, whichever is earlier unless the Committee decides otherwise. Any Vested Options not Exercised within this aforesaid period shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 8 above shall stand automatically terminated without any liability to the Company.

### 12.3 On attainment of superannuation age

In case the services of the Participant with the Company terminate due to the Participant's retirement on attaining the superannuation age, unless the terms of the Grant provide otherwise or the Committee determines otherwise, all the Unvested Options Granted to him shall, subject to (a) Clause 11.9, (b) Clause 9 and (c) achievement of any and all performance parameters as determined by the Committee or Board or any delegated authority (unless waived by the Committee / Board / delegated authority), Vest with the Participant in accordance with Clause 9 of this Plan. Subject to Clauses 11.2 and 11.9 and any other condition specified by the Committee (such as achievement of performance parameters), the Participant can Exercise in accordance with Clause 11.5 all the Vested Options before the expiry of the Exercise Period as per Clause 11.1. Any Vested Options not Exercised within this aforesaid period shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 8 above shall stand automatically terminated without any liability to the Company. Notwithstanding the

provisions of Clause 12.1 of this Plan, after termination due to the Participant's retirement on attaining the superannuation age, only the Participant (and not any Beneficiary) shall be entitled to Exercise the Vested Options.

#### 12.4 Termination with cause

In case the termination of employment of a Participant with the Company is with cause (i.e. negligence, fraud, professional misconduct, moral turpitude etc), his / her Options (Vested as well as Unvested) shall stand automatically forfeited on the Termination Date and the contract referred to in Clause 8 above shall stand automatically terminated without any liability to the Company. The determination of the Board or Committee as to whether or not a termination is with cause shall be final and binding including on the Participant and all Beneficiaries.

#### 12.5 Other terminations

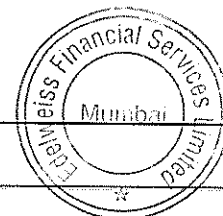
In case the service of the Participant with the Company is terminated other than as specified in Clauses 12.1 to 12.4 above, subject to Clauses 11.2 and 11.9 or any other condition specifically waived by the Committee (such as achievement of performance parameters), all the Vested Options as on that date shall be permitted to be Exercised in accordance with Clause 11.5 before the expiry of the termination notice period, provided that the Board / Committee at its sole discretion may extend the said Exercise Period by further seven days from the Termination Date or before the expiry of the Exercise Period, whichever is earlier. All Options that are not exercised within the aforesaid period shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 8 above shall stand automatically terminated without any liability to the Company.

All Options that are not Vested prior to the termination as specified in this clause shall automatically lapse at the date of termination and the contract referred to in Clause 8 above shall stand automatically terminated without any liability to the Company.

Provided that the Unvested Options in the case of a director, who was Granted Options under this Plan, and who resigns or steps down from the Board of Directors of Edelweiss or a subsidiary or an associate of Edelweiss (by virtue of which such director had been Granted Options by the Company) and who in the opinion of the Board or the Committee continues to be associated with the Company (whether in his capacity as a director of Edelweiss or any other subsidiary or associate of Edelweiss, as the case may be), shall not lapse and shall continue to vest in accordance with this Plan.

#### 12.6 Long Leave

Notwithstanding anything contained in this Plan, the effect of any "long leave" on any Options, including on the Grant, continuance, Vesting and Exercise thereof, will be as determined by the Committee.



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## 12.7 During Lock-in

In the event of termination of employment of a Participant during the “lock-in period” mentioned in Clause 14, the Shares allotted/transferred pursuant to Exercise of the Vested Options or otherwise under Clauses 11 above and/or 12 above, shall, unless the Committee / Board / Company decides otherwise, be transferred to the Company or to their Nominee(s) (as the case may be), at such price as may be decided by the Company or the Board or the Committee at its sole discretion.

Explanation: This Clause 12 shall also apply to a Participant who is a director of the Company, with the modification that the term “termination”, wherever appearing in this Clause, shall be construed as ‘resignation’ or ‘removal’ of the Directors in accordance with the provisions of the Companies Act, 2013 and that in relation to Clause 12.5, the period within which the Vested Options may be Exercised by such director shall be such period as may be decided by the Committee, the Board or the Company.

- 12.8 Notwithstanding anything contained herein, it shall be open to the Participant/Beneficiary to also avail cash compensation in lieu of exercising the Vested Options, in the form and manner prescribed in Clause 11A of the Plan.

## 13 Notices and correspondence

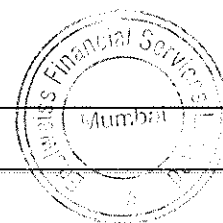
- 13.1 Any notice required to be given by a Participant to the Company or the Committee or any correspondence to be made between a Participant and the Company or the Committee may be given or made to the Company or Committee at the registered office of Edelweiss or at a place as may be notified by Edelweiss / Committee in writing.
- 13.2 Any notice, required to be given by the Company or the Committee to a Participant or any correspondence to be made between the Company or the Committee and a Participant shall be given or made by the Company or the Committee on behalf of the Company at the address provided by the Participant in his Acceptance Form.

## 14 Lock-in

- 14.1 The Shares allotted/transferred pursuant to the Exercise of the Vested Options under Clauses 11 and 12 above may be subject to such lock-in, if any, as may be determined by the Committee.

## 15 Beneficiary designation

- 15.1 Each Participant may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit accrued to such Participant under this Plan is to be delivered in case of his or her death before he or she receives all of such benefit. Each such nomination shall revoke all prior nominations by the same Participant, shall be in a form prescribed by the Company and will be effective only when filed by the Participant in writing with the Company during the Participant's lifetime.





## 16 Non-transferability of Options

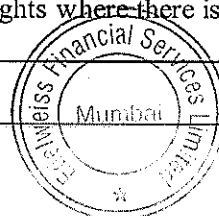
16.1 Save as provided in Clause 12.1 above, the Options Granted herein, are personal to the Participant. The Options cannot be assigned, alienated, pledged, attached, hypothecated, sold, or otherwise transferred or encumbered by the Participant otherwise than by will or by the laws of descent, to the extent permitted under the Applicable Laws, and any purported assignment, alienation, pledge, attachment, sale, transfer, or encumbrance not permitted herein shall be void and unenforceable against the Company.

## 17 Reorganisation of Capital Structure and other Corporate Actions

17.1 In the event of any Corporate Action of Edelweiss whilst any Option remains exercisable or this Plan remains in effect the Committee shall make such corresponding adjustment as it considers fair and reasonable and in accordance with the Applicable Laws, if any, to:

- a) the number or nominal amount of Shares to which this Plan or any Option(s) relates (insofar as it is/they are unexercised); and/or
- b) the Exercise Price of any Option; and/or
- c) (unless the relevant Grantee elects to waive such adjustment if such adjustment would be to the benefit of the Grantee) the number of Shares comprised in an Option or which remain comprised in an Option; and/or
- d) the method of Exercise of any Option; and/or
- e) the maximum number of Shares referred to in Clause 6 above, provided that:
  - (aa) to the extent practicable, any such adjustment shall give the Participant the same proportion of the issued share capital of Edelweiss for which such Participant would have been entitled to subscribe had he Exercised all the Options held by him immediately prior to such adjustment;
  - (bb) any such adjustment shall be made on the basis that the aggregate Exercise Price payable by a Participant on the full Exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before the time when such Corporate Action takes effect;
  - (cc) any such adjustment shall be made, in accordance with the SEBI Guidelines and the Applicable Laws;
  - (dd) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its face value; and
  - (ee) the issue or transfer of Shares or other securities of Edelweiss as consideration in a transaction or otherwise shall not be regarded as a circumstance requiring any such adjustment.

17.2 In the event of any corporate action which is not contemplated by Clause 17.1 above including (without limitation) rights on a general offer, rights on compromise, arrangement, reconstruction, rights where a person becomes bound or entitled to acquire shares and rights where there is a change in control of



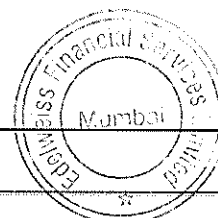
Edelweiss, the Committee may (but shall not be obliged), subject to the provisions of this Plan and Applicable Laws, adjust the number of Options (Vested as well as Unvested) or the Exercise Price in respect of the Options or the Vesting Period or the Exercise Period or take one or more of the foregoing actions as it deems appropriate in accordance with the SEBI Guidelines while ensuring that the interests of the Option holders are protected.

## 18 Withholding Tax or any other Taxes

- 18.1 All Options Granted under this Plan shall be subject to all applicable taxes, withholding tax (including but not limited to fringe benefit tax, if applicable) and / or any levy and/or any contribution and/or any payment (by whatever name it is called) arising due to participation in this Plan (in or outside India), if any, and the Company or Committee, accordingly, may withhold such taxes and/or levy and/or contribution and / or payment in full unless the Committee decides to withhold in part.
- 18.2 Notwithstanding anything contained in any other Clauses of this Plan, if, the Grant of the Option and / or the Vesting of Option and/or the Exercise of the Option and / or allotment or transfer of the Shares is at any time subject to any levy and / or taxes (including fringe benefit tax) or contribution or payment (by whatever name called) that is levied on or payable by the Company/employing entity, such taxes and / or levy and / or contribution and / or payment shall be recovered in full from the Participant or the Beneficiary, unless the Committee at its sole discretion decides to recover in part from the Participant or the Beneficiary.
- 18.3 Notwithstanding anything else contained in this Plan, no Shares/sale proceeds therefrom, as the case may be, shall be issued / disbursed to the Participant or the Beneficiary, on Exercise of the Options under this Plan unless appropriate levies / taxes (including fringe benefit tax) / contributions/payments as given in this Clause are recovered in full unless the Committee at its sole discretion decides to recover part of the same from the Participant or the Beneficiary.

## 19 Arbitration

- 19.1 In the event of a dispute arising out of or in relation to the provisions of this Plan (including a dispute relating to the construction or performance thereof), the relevant parties shall attempt in the first instance to resolve such disputes through an amicable settlement. The attempt to bring about an amicable settlement shall be considered to have failed as soon as one of the parties hereto, after reasonable attempts, which attempt shall continue for not more than 30 (Thirty) days, gives 10 (Ten) days notice thereof to the other party in writing. In case of such failure, either party may refer the dispute to a single arbitrator appointed by both / all the parties and failing such agreement, to three arbitrators, one to be appointed by the Company, one to be appointed by the other party or parties to the dispute and the third arbitrator to be jointly appointed by the two arbitrators appointed by the parties. The arbitration proceedings shall be held in Mumbai, India under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof. The arbitrator(s) shall give a reasoned award in writing. The arbitrator(s) shall also decide on the costs of the arbitration proceedings. The parties shall submit to the arbitrator's award and the award shall be enforceable in competent court of law at Mumbai.



## 20 Governing Law

- 20.1 This Plan and all agreements thereunder shall be governed by and construed in accordance with the applicable laws of India.
- 20.2 The Participant agrees and acknowledges that the Participant has received and read a copy of this Plan. The Options are subject to this Plan. Any term of this Plan that is contrary to the requirement of the SEBI Guidelines or any other Applicable Law, including but not limited to the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder shall not apply to the extent it is contrary.
- 20.3 In the event that any term, condition or provision of this Plan is held to be a violation of any Applicable Law, statute or regulation the same shall be severable from the rest of this Plan and shall be of no force and effect and this Plan shall remain in full force and effect as if such term, condition or provision had not originally been contained in this Plan.
- 20.4 In order to comply with regulation of any other country or to avail any tax or other benefits, the Committee or the Board may at its sole discretion formulate an addendum to this Plan for Employees employed in that country and made applicable to such Employees from the date determined by the Committee / Board.

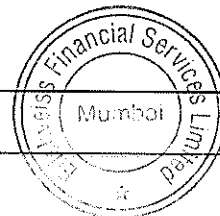
## 21 Regulatory approvals

- 21.1 The implementation of this Plan, the Grant of any Option under this Plan and the issuance or transfer of any Shares under this Plan shall be subject to the procurement by the Company and the Participant/Beneficiary of all approvals and permits required by any regulatory authorities having jurisdiction over this Plan, the Options and the Shares issued/transferred pursuant thereto. The Participant/ Beneficiary under this Plan will, if requested by the Committee, provide such assurances and representations to the Company or the Committee, as the Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

## 22 Modification of Plan

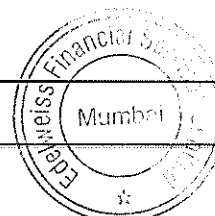
The Board / Committee may, subject to a special resolution passed at a General Meeting if so required by Applicable Law, at any time and from time to time:

- 22.1 Amend or vary all or any of the terms and conditions of this Plan;
- 22.2 Alter the Exercise Price, if the Option becomes unattractive due to fall in market price of the Shares.
- Provided that no variation or amendment to this Plan can be made if it is detrimental to the interests of the Grantee / Participant.



## 23 Miscellaneous provisions

- 23.1 The Participant / Beneficiary shall have no rights as a Shareholder until the name of the Participant/ Beneficiary has been entered in the register of members of Edelweiss as the holder of the Shares provided hereunder to such Participant/ Beneficiary. The new Shares of the Company to be issued and allotted by the Company or transferred in the manner aforesaid shall, unless the Board or the Committee determines otherwise, rank *pari passu* in all respects with the then existing Shares except that, if the Board so specifies, they shall be entitled for dividend on *pro-rata* basis from the date of allotment till the end of the relevant financial year in which the new Shares are allotted.
- 23.2 This Plan shall not form part of any contract of employment between the Company/employing entity and any Eligible Employee, and the rights and obligations of any Eligible Employee under the terms of his office or employment shall not be affected by his participation in this Plan or any right which he may have to participate in it and this Plan shall afford such an Eligible Employee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.
- 23.3 This Plan shall not confer on any person, any legal or equitable rights against the Company, Committee, directly or indirectly, or give rise to any cause of action at law or in equity against the Company or the Committee.
- 23.4 The Company shall bear the costs of establishing and administering this Plan, including any costs of the Company's auditors or any independent financial advisor in relation to the preparation of any confirmation by them or provision of any other service in relation to this Plan. The Company/ Board/ Committee may, at its sole discretion, allocate and recover the above costs from its subsidiaries and associates from time to time.
- 23.5 The Company may at its sole discretion recover the compensation cost from its subsidiaries and its associates for the Grant of Options to their employees on their behalf.
- 23.6 A Grantee shall, before accepting a Grant, obtain all necessary consents that may be required to enable him to accept the Grant and the Company to allot and issue or transfer to him in accordance with the provisions of this Plan, the Shares due to be allotted and issued or transferred upon the Exercise of his Vested Options. By accepting a Grant and / or submitting the notice of Exercise, the Grantee / Participant / Beneficiary thereof is deemed to have represented to the Company or the Committee that he has obtained all such consents. Compliance with this paragraph shall be a condition precedent to an acceptance of a Grant by a Grantee or Exercise of the Vested Options by the Participant / Beneficiary.
- 23.7 By accepting a Grant, a Grantee expressly acknowledges that the Grant of Option does not constitute guarantee or continuity of employment and the Company shall reserve the right to terminate the employment of Grantee with the Company in accordance with the terms of employment. A Grantee shall be deemed irrevocably to have waived any entitlement, by way of compensation for loss of office or otherwise howsoever, to any sum or other benefit to compensate him for loss of any rights under this Plan.



- 23.8 The acceptance of the Grant is entirely voluntary and the Company or the Committee does not assure or guarantee any value of or return on Shares.
- 23.9 This Plan constitutes the entire document in relation to its subject matter and supersedes all prior agreements and understandings, whether oral or written, with respect to such subject matter.

## 24 Set-off

The Company's or the Committee's obligation to convey to the Participant/ Beneficiary any Shares shall be subject to set-off or counterclaim of amounts owed by the Participant/ Beneficiary to the Company or the Committee to the extent permitted under Applicable Laws.

## 25 Terms of this Plan

- 25.1 This Plan shall continue in effect unless terminated by the Company or the Committee.
- 25.2 Any such termination of this Plan shall not affect Options / Shares already Granted and such Options / Shares shall remain in full force and effect as if this Plan had not been terminated unless mutually agreed otherwise between the Participant/Beneficiary and the Committee /the Company.

## 26 Confidentiality

- 26.1 Notwithstanding anything contained in this Plan, the Grantee / Participant / Beneficiary shall not divulge the details of this Plan and / or his holdings to any person except with the prior written permission of the Committee unless so required to do under the Applicable Laws or any statutes or regulations applicable to such Grantee/ Participant / Beneficiary. In case of failure to comply with this Clause by the Grantee / Participant / Beneficiary, the Grant or the contract referred to in Clause 8 above, as the case may be, shall, unless the Committee decides otherwise, stand automatically terminated without any liability to the Company / the employing entity.

