

**<<To be printed on the letter head of the Company>>**

***Strictly private & confidential***

**<<Date>>**,

**<<Name of the employee>>**

**<<Designation>>**

**<<Place>>**

Dear -----,

Congratulations! It's a pleasure to honor you as a member of a select group of employees who are being granted Employee Stock Options ("Options").

You are an important member of Name of the Company ("Company"). We all are committed to build the Company as a formidable organization and in the process, create value for all our stakeholders. While you help create this value, we would like you to get a share in this value too.

It gives me great pleasure to inform you that you have been awarded **<< number >>** Options under the 'Name of the Plan - Employee Stock Option Plan Year' ("ESOP Plan"). Each Option entitles you to one fully paid-up equity share in the Company. Being an option holder, you would be entitled to become a shareholder of the Company as per the terms of ESOP Plan.

The Options granted would vest as specified in the 'Particulars of Grant' attached with this letter. Each of the Options is being granted at the Exercise price of **<<Rs. >>**. The salient features of ESOP Plan are explained in "Understanding ESOP Plan" being enclosed herewith.

These Options are a token of our appreciation and gratitude for believing in the Company. We believe this is just the beginning and hope you would continue to extend your support in the years to come. These Options are being awarded to you considering your present role and the contribution to the value you are expected to make in the future. As the Company grows as a whole, the value of these Options would also increase.

Once again, we congratulate you on your journey towards sharing the ownership of the Company and look forward to working with you.

With best wishes,

**<< NAME>>**

**Chief Executive Officer**

**Enclosures:**

*Annexure 1: Understanding ESOP Plan*

*Annexure 2: Copy of ESOP Plan (Scheme document to be attached herewith Optional)*

## Particulars of Grant

<<Name of the employee>>

<<Employee Id>>

We are pleased to grant you Options to subscribe shares of Company, subject to the terms and conditions of ESOP Plan. The details of the grant are as follows:

Particulars of grant	Details of grant
Date of grant of Options	<<Date>>
Number of Options granted	[Insert Number and Words]
Exercise price per Option	Rs.- /-
Exercise period	As per Clause 8.2 of ESOP Plan
Other terms	As per ESOP Plan

**Vesting schedule and Vesting conditions** *(Below table to be modified as per ESOP Plan details)*  
*(ESOP Committee has power to change the Vesting Schedule and vesting conditions within the limits mentioned in the ESOP Plan)*

Dates of vesting	Options due for vesting	Vesting condition(s)
On 1 <sup>st</sup> anniversary from the date of grant	30% of ESOPs granted	<ul style="list-style-type: none"><li>Your continued employment/ service with the Company including subsidiary(ies) on relevant date of Vesting;</li></ul> and <ul style="list-style-type: none"><li>Nomination and Remuneration Committee may specify certain performance criteria</li></ul>
On 2 <sup>nd</sup> anniversary from the date of grant	30% of ESOPs granted	
On 3 <sup>rd</sup> anniversary from the date of grant	40% of ESOPs granted	

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### ***Important terms and conditions***

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- Hereinafter, employee to whom the grant letter is issued shall be as termed Option Grantee.
- Entitlement to any benefits under the ESOP Plan is subject to the compliance of terms and conditions stipulated therein read with terms specified in the grant letter and on acceptance of grant, such terms and conditions shall be deemed as if an agreement between the Company and the Option Grantee.
- Options can be exercised within the defined exercise period only as per provisions of the ESOP Plan and shall lapse after expiry of the exercise period.
- An Option Grantee cannot pledge, hypothecate, transfer or alienate the Options granted to him in any manner whatsoever, except in case of death in which case the Options can be legally transmitted to his/her nominee or legal heir.
- No person other than the Option Grantee to whom Option is granted shall be entitled to exercise the Options except in the event of the death of the Option Grantee, in which case his/her nominee or legal heir can exercise.
- The Option Grantee shall not have a right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of Options granted till Shares underlying such Options are issued by the Company on exercise of such Option.
- The Company shall have the right to deduct from the Option Grantee's salary or in the alternate shall have the right to recover, any of the tax obligations arising in connection with the exercise of Options or the shares allotted upon the exercise thereof.
- The Company shall have no obligation to deliver shares to the Option Grantee until such tax obligations have been satisfied by the Option Grantee in full.
- The Option Grantee specifically confirms to the Company by signing the Acceptance Form, that he is aware that the information regarding his Option entitlements in this Grant, is strictly confidential and that he shall not reveal/ share any related information or details with any person (including his peers, colleagues, or with any employee, ex-employee) and/ or associate of the Company or that of its affiliates. In case the Option Grantee is found to be in breach of this confidentiality provision, the Company shall have the undisputed right to deal with Options under reference including cancellation of unexercised Options. The decision and judgment of the Company regarding breach of this provision shall be final, binding and cannot be questioned.
- The Option Grantee agrees that the Company may be required to disclose information relating to the Option Grantee during the process of implementation or administration of ESOP Plan or while availing services relating to Options consulting, advisory services or Option Management services and/ or any other such incidental services. The Option Grantee hereby accords his consent that such confidential information regarding his Option entitlements or any other requisite personal information may be disclosed by the Company to its officers, professional advisors, agents and consultants on a need to know basis.

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### ***Requirement of acceptance of grant***

- In case you wish to accept the grant, you must submit a duly filled-in Acceptance Form (enclosed herewith) on or before **60<sup>th</sup> day** ("Closing Date") from the date of the grant as specified in this grant letter.
- In case of non-submission of the Acceptance Form on or before the Closing Date, it shall be deemed as if this offer has been rejected. Acceptance Forms received after the Closing Date shall not be valid and shall be deemed as if not submitted.