

**Standard Glass Lining Technology Limited**

**STANDARD GLASS LINING TECHNOLOGY LIMITED**

**CIN: L29220TG2012PLC082904**

**Registered Office: D.12, Phase I, IDA, Jeedimetla, Hyderabad, Telangana, India, 500055**

**Employee Stock Option Scheme 2024**

**(As ratified and amended vide the shareholders' special resolution  
dated December 14, 2025)**

## Standard Glass Lining Technology Limited

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

- 1.1 This plan shall be called the “Employee Stock Option Scheme 2024” (“**ESOP 2024**”) (the “**Scheme**” or “**Plan**”).
- 1.2 This Scheme has been constituted by Standard Glass Lining Technology Limited, a Company registered under the Companies Act, 1956, having CIN: L29220TG2012PLC082904 and having its registered office at D-12, Phase 1, IDA – Jeedimetla, Hyderabad, Telangana - 500055.
- 1.3 The objective of the Scheme is to provide an incentive to attract, reward, motivate and retain key employees performing exemplary services for the Company, Subsidiary Company(ies) and Associate Company(ies) and further motivate such employees to contribute to the growth and profitability of the Company. This Scheme would provide an incentive for the Employees to remain with the Company or Subsidiary Company(ies) or Associate Company(ies) and to reward those who have a share in the direct contribution to the success of the Company. This purpose is sought to be achieved through the grant of options to Eligible Employees.
  - 1.4 The Scheme is approved by the special resolution passed by the Shareholders of the Company on July 22, 2024 and became effective on the same day (the “**Effective Date**”).
- 1.5 The Compensation Committee may subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the Scheme. The Scheme shall continue to be in force until its termination by the Compensation Committee as per the provisions of Applicable Laws, or the date on which all of the Options available for issuance under the ESOP 2024 have been issued and exercised, whichever is earlier.
- 1.6 The Company has listed its Shares (as defined below) on the recognized Stock Exchanges. Consequently, ESOP 2024 has been amended and approved by the shareholders of the Company vide special resolution dated December 14, 2025, with a view to modify and align certain clauses of the ESOP 2024 in compliance with the provisions of the SEBI SBEB & SE Regulations, and other Applicable Laws. The ESOP 2024, as amended, shall be applicable to all Option Grantees, existing and future, with effect from December 14, 2025 except as may be otherwise expressly stated in any specific clause of the ESOP 2024 or as required under the provisions of the Applicable Laws.
- 1.7 The Scheme has been framed in accordance with the SEBI SBEB & SE Regulations and the Companies Act read with the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time and other applicable rules, regulations and provisions of law for the time being in force and shall be subject to any modifications or amendments or re-enactments thereof.

## 2. Definitions and Construction

### 2.1 Definitions

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

- i. **“Abandonment”** shall mean absence of an employee from work without reasonable excuse for an unreasonable period of time without having communicated to the Company on such absence.
- ii. **“Acceptance Form”** shall mean the form which a Grantee has to submit indicating his acceptance of the offer made to him to participate in this Scheme.
- iii. **“Applicable Laws”** includes every law, rule, regulation or bye-law relating to employee stock options, including, without limitation, the Companies Act, 2013, and the rules framed thereunder, Securities and Exchange Board of India Act, 1992, Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and includes any statutory modifications or re-enactments thereof, Foreign Exchange Management Regulations Act, 2000, securities, exchange control or corporate laws, rules, regulations or bye- laws of India or any relevant jurisdiction, and includes any amendment, modification, alteration or re-enactment made to such laws, rules, regulations or bye-laws or of any Recognized Stock Exchange on which the Shares are listed or quoted.
- iv. **“Associate Company”** shall have the meaning ascribed to it under the Companies Act.
- v. **“Beneficiary”** means (a) the person or persons designated / nominated by a Participant pursuant to Clause 13; (b) in the absence of any designation/ nomination by a Participant, a person or persons who is / are entitled by the will of a Participant to receive the benefits specified in this Scheme; or (c) the legal heirs of a Participant if the Participant dies intestate, and includes the Participant’s executors or administrators, 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 nomination form in the Exercise of any powers conferred under this Scheme or any other agreements forming part thereof, subject to compliance with the relevant provisions of Companies Act, 2013, Rules and Regulations.
- vi. **“Board”** means the Board of Directors of the Company.
- vii. **“Closing Date”** means the last date on which the offer of Options by the Company to a Grantee can be accepted. In case the last date is a non- working day, then the Closing Date shall be on the next working day.
- viii. **“Company”** means Standard Glass Lining Technology Limited.
- ix. **“Companies Act”** shall mean the Companies Act, 2013, together with the rules and regulations thereunder, as may be amended, modified, supplemented or re-enacted from time to time.
- x. **“Compensation Committee” or “Committee”** means the existing Nomination and Remuneration Committee constituted by the Board, under Regulation 19 of

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the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") as amended from time to time, which has been delegated the administration and supervision of Scheme and having such powers as specified under the SEBI SBEB & SE Regulations read with powers specified in this Scheme.

- x. **"Director"** means a member of the Board of the Company.
- xi. **"Eligible Employee"** has the meaning ascribed to such term in Clause 3 herein below.
- xii. **"Employee"** means:
  - (i) an employee as designated by the Company, who is exclusively working in India or outside India; or
  - (ii) a Director of the Company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an Independent Director; or
  - (iii) an employee as defined in sub-clauses (i) or (ii), of a Group Company including Subsidiary Company or its Associate company, in India or outside India,  
**but does not include-**
    - a) an employee who is a promoter or a person belonging to the promoter group; or
    - b) a Director who, either himself or through his relative or through any body-corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.
- xiii. **"Employee Stock Option" or "Option"** means the option given to Employees, which gives such Employees the benefit or right, but not an obligation, to purchase or subscribe at a future date, the Share underlying the Option offered by the Company at a pre-determined price.
- xiv. **"Eligibility Criteria"** means the entitlement for offering the Employee Stock Options as may be determined from time to time by the Compensation Committee.
- xv. **"Exercise"** means making of an application by a Participant to the Company, for issue of Shares against the Vested Options in pursuance of this Scheme, on payment of the Exercise Price.
- xvi. **"Exercise Period"** means such time period commencing after Vesting, within which the Vested Options can be exercised in pursuance of the Scheme.
- xvii. **"Exercise Price"** means the price at which Vested Options may be exercised by a Participant, in accordance with the pursuance of the Scheme.
- xviii. **"Grant"** means the process by which the Company issues Options to the Employees, pursuant to this Scheme.
- xix. **"Grant Date"** means the date on which a Grant is made.
- xx. **"Grant Letter"** means the letter by which a Grant is communicated to a Grantee.

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- xxii. **“Grantee” or “Option Grantee”** means an Employee who has been granted Option(s) and has accepted such Grant as required under the Scheme, having a right but not an obligation to Exercise an Option in pursuance of this Scheme and shall deem to include nominee/ legal heir of such Option Grantee in case of death of Option Grantee to the extent provisions of the Plan is applicable.
- xxiii. **“Group Company”** shall have the meaning ascribed to the term ‘group’ under the SEBI SBEB & SE Regulations.
- xxiv. **“Independent Director”** means a Director within the meaning of Section 149(6) of the Companies Act read with Regulation 16(1)(b) of the Listing Regulations, as amended from time to time.
- xxv. **“Long Leave”** means a continuous leave period of 90 days or more.
- xxvi. **“Market Price”** means the latest available closing price on the recognized Stock Exchange on which the Shares of the Company are listed, immediately prior to the date of the meeting of the Compensation Committee on which the Grant is made.  
Explanation- If Shares are listed on more than one Stock Exchange, then the closing price of the Shares on the Stock Exchange having higher trading volume shall be considered as the Market Price.
- xxvii. **“Memorandum and Articles of Association”** means the memorandum of association and the articles of association of the Company, as amended from time to time.
- xxviii. **“Misconduct”** means any of the following acts or omissions by an Employee in addition to any provisions prescribed in the offer or terms of employment amounting to violation or breach of terms of employment as determined by the Committee after giving the Employee an opportunity of being heard:
- a) committing of any act of misconduct warranting summary termination under law; or
  - b) any misdemeanor involving moral turpitude, deceit, dishonesty, or fraud committed by the Employee; or
  - c) conduct which in the reasonable opinion of the Board amount to a serious breach by an Option Grantee of the obligation of trust and confidence to his employer; or
  - d) a finding by the Board that an Employee has committed any material or consistent breach of any of the terms or conditions of the employment agreement including any willful negligence of the duties assigned by the Board; or
  - e) conviction of any criminal offence or having been charged with any criminal offence which, in the reasonable opinion of the Company will result in conviction.
  - f) participating or abetting a strike in contravention of any law for the time being in force; or
  - g) Misconduct as provided under the labor laws after following the principles of natural justice; and
  - h) Any other act or omission not included above but defined as serious misconduct in the Company’s rules or Employee handbook and / or

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employment agreement and/or appointment letter, by the Company from time to time.

- xxix. **“Participant”** means a Grantee who accepts an offer from the Company to participate in this Scheme pursuant to Clause 7 below.
- xxx. **“Permanent Incapacity”** means any disability of whatsoever nature be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Compensation Committee based on a certificate of a medical expert identified by such Compensation Committee.
- xxxi. **“Promoter”** shall have the same meaning assigned to it under the ICDR Regulations, as amended from time to time.
- xxxii. **“Promoter Group”** shall have the meaning assigned to the term under SEBI ICDR Regulations, as amended from time to time.
- xxxiii. **“Retirement”** means retirement as per the rules of the Company.
- xxxiv. **“Recognized Stock Exchange”** means the BSE, NSE, or any other Stock Exchange in India as agreed by the Board on which the Company’s Shares are listed or to be listed.
- xxxv. **“SEBI SBEB & SE Regulations”** means the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 as amended and enacted from time to time read with all circulars and notifications issued thereunder.
- xxxvi. **“Secretarial Auditor”** means a company secretary in practice appointed by a company under provisions of Section 204 of Companies Act 2013 read with rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 to conduct secretarial audit pursuant to regulation 24A of Listing Regulations.
- xxxvii. **“Service”** means the Option Grantee’s employment with the Company, in the capacity of an Employee. The Option Grantee’s employment shall not be deemed to be terminated merely because of a change in the capacity in which the Option Grantee is employed in the Company, provided that there is no interruption in or termination of the Option Grantee’s employment or directorship.
- xxxviii. **“Share” or “Shares”** means equity shares of the Company of face value of **Rs. 10 (Ten)** as allotted by the Compensation Committee arising out of the Exercise of Employee Stock Options granted under the Scheme.  
Explanation: The above definition includes any convertible instruments issued by the Company from time to time on a fully diluted basis.
- xxxix. **“Shareholder”** means the registered holder of any Share in the share capital of the Company.
- xl. **“Subsidiary company”** means any present or future subsidiary company of the Company, as defined in the Companies Act, 2013.
- xli. **“Termination Date”** means the date of termination of employment of a Participant with the relevant member of the Company.

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- xlii. **“Unvested Option”** means an Employee Stock Option in respect of which the relevant Vesting Period has not yet completed and as such, the Option Grantee has not become eligible to Exercise the Employee Stock Option.  
Subject to the foregoing, the Compensation Committee of the Company, in its sole discretion, shall determine whether an Option Grantee continues in employment or directorship of the Company and such determination shall be binding and final.
- xliii. **“Vested Option”** means an Option in respect to which the relevant vesting conditions have been satisfied and the Grantee has become eligible to Exercise the Option subject to fulfillment of Exercise conditions.
- xliv. **“Vesting”** means the process by which Participants become entitled to receive the benefit of a Grant made to him/her under, in pursuance of this Scheme.
- xli. **“Vesting Period”** means the period during which the Vesting of the Employee Stock Option(s) granted to the Employee, in pursuance of the Scheme takes place.

### 2.2 Construction

- i. The headings/sub-headings/ titles/subtitles are only for the sake of convenience and shall not be interpreted to restrict or otherwise affect the meaning or import of the clauses herein contained, which shall be interpreted solely in light of the contents thereof.
- ii. Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- iii. Any reference to ‘writing’ includes printing, typing, lithography and other means of reproducing words in visible form.
- iv. The term ‘including’ shall mean ‘including without limitation’, unless otherwise specified.
- v. 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.
- vi. Words and expressions used in this Scheme but not defined herein shall, unless the context specifies otherwise, have the same meaning as defined in the Companies Act.
- vii. In this Scheme reference to any enactment shall be construed as a reference to that enactment as from time to time amended, extended or re-enacted.

In the event of inconsistency between the provisions of the ESOP Scheme and the provisions of the employment Offer Letter and/or employment agreement and/or Grant Letter, the provisions of the ESOP Scheme will prevail.

### 3. Eligibility

Only the Employees of the Company, Subsidiary Company(ies) and Associate Company(ies) who have been identified by the Committee, shall be entitled to participate in this Scheme (the “**Eligible Employees**”). The Committee will identify the Employees who should be granted Options under this Scheme and accordingly, the Company would offer the Options to those identified Eligible Employees. In determining the eligibility of any Employee, the Committee shall consider such factors as it may deem relevant for the purpose. The broad criteria for review and selection may include parameters like designation, tenure with the Company/Subsidiary Company/Associate Company, performance during the previous years, future potential, and contribution or impact towards strategic growth, or such other factors as determined by the Committee. The criteria for determining the eligibility of an Employee to receive Options may be prescribed and / or revised from time to time at the discretion of the Committee.

Neither the Scheme nor any Employee Stock Option shall confer upon any Option Grantee any right with respect to continuing the Option Grantee’s relationship as Employee with the Company, nor shall it interfere in any way with his or her right or the Company’s right to terminate such relationship at any time, for any reason whatsoever.

The Scheme shall be applicable to the Company, Subsidiary Company(ies), Associate Company(ies) and any successor company thereof, provided that such successor company adopts the Scheme in accordance with SEBI SBEB & SE Regulations, and Employee Stock Options may be granted to the Eligible Employees and Directors of such Company as determined by its Committee at its own discretion.

### 4. Administration of the Scheme

- 4.1 The Scheme shall be administered by the Compensation Committee. The Compensation Committee is authorized to interpret this Scheme, to establish, amend and rescind any rules and regulations relating to this Scheme and to make any other determination that it deems necessary or desirable for the administration and implementation of this Scheme. The Compensation Committee may rectify any defect or omission, or reconcile any inconsistency in this Scheme in the manner and to the extent the Compensation Committee deems necessary or desirable. Provided that any such action by the Compensation Committee shall not amount to varying the terms of the Scheme such that it may be prejudicial to the interests of Employees.

Any decision of the Compensation Committee in the interpretation and administration of this Scheme, 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, Grantees and/ or Participants and/ or Beneficiaries). Provided that any amendment, variation, alteration or modification of this Scheme under this Clause 4.1



will be in compliance with Applicable Laws including relevant provisions of SEBI SBEB & SE Regulations, SEBI Act, 1992, Companies Act, 2013, or rules and regulations made thereunder.

- 4.2 The Compensation Committee shall in accordance with this Plan and Applicable Laws, determine the detailed terms and conditions of the Employee Stock Options, including but not limited to:
- (a) Adopt rules and regulations for implementing this Scheme from time to time.
  - (b) The Eligibility Criteria and the specific Employees to whom options would be granted;
  - (c) Determine the quantum of Employee Stock Options to be granted under the Scheme per Employee and in aggregate, subject to the maximum ceiling as specified in the Scheme;
  - (d) To issue grant letters or allot shares upon exercising the Options.
  - (e) The specific Vesting Period and schedule for Employee Stock Options granted (mentioned in Clause 8.2)
  - (f) Determine the conditions under which Options may vest in the Employees and may lapse in case of termination of employment for misconduct.
  - (g) Determine the Exercise Period and the method for exercising the Vested Options and that the Options would lapse on failure to Exercise the same within the Exercise Period.
  - (h) Determine the Exercise Price of the Options granted.
  - (i) Determine the specified time period within which an Employee shall Exercise the Vested Options in the event of termination or resignation of the Employee.
  - (j) Determine the right of an Employee to Exercise all the Options Vested in him at one time or at various points of time within the Exercise Period.
  - (k) Determine the terms and conditions not inconsistent with the terms of this Scheme of any Options granted hereunder.
  - (l) Approve forms or agreements for use under this Scheme.
  - (m) Decide all other matters that must be determined in connection with the Grant of an Option under this Scheme.
  - (n) Construe and interpret the terms of this Scheme and the Options Granted pursuant to this Scheme.
  - (o) Do all that may be necessary to ensure compliance of this Scheme and administration thereof.
  - (p) Determine the procedure for making a fair and reasonable adjustment to the entitlement, including adjustment to the number of Options and to the Exercise Price, in case of corporate actions such as rights issues, bonus issues, consolidation, sub division of share, reclassification, merger, sale of division and other actions (collectively called the “**Corporate Actions**”). In this regard, the following shall, *inter alia*, be taken into consideration by the Compensation Committee:
    - (i) the number and price of Options shall be adjusted in a manner such that total value of the Options in the hands of the Option Grantee remains the same after the relevant Corporate Actions;

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- (ii) the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Employee(s) who is Granted such Options; and
    - (iii) for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered.
  - (q) Determine the Grant, Vesting and Exercise of Options in case of Employees who are on long leave;
  - (r) The right to cancel or withdraw or abandon the Options granted to any of the Employee or Director in the sole discretion of the Compensation Committee in the best interest of the Company;
  - (s) The procedure for funding the Exercise of Options or cashless Exercise of Employee Stock Options, if required;
  - (t) Formulate suitable policies and procedures to ensure that there is no violation of Applicable Laws, in relation to this Scheme by the Company/ Board/ Shareholders/ Participants;
  - (u) Determine the procedure for buy-back of Shares issued upon Exercise, 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
  - (v) Approve forms, writings and/or agreements for use in pursuance of the Scheme.
- 4.3 This Scheme or any of the terms and conditions herein (including the number of Options to be granted in total) may be revised by the Compensation Committee, as necessary, *inter alia*:
- a) pursuant to any amendments made to Applicable Laws with respect to Employee Stock Option plans; or
  - b) pursuant to any regulatory change;
- Provided that this Scheme is in compliance with the provisions of SEBI SBEB & SE Regulations, SEBI Act, 1992, Companies Act, 2013, and rules and regulations made thereunder, and other Applicable Laws and approval of the Shareholders is taken by way of a special resolution in a general meeting, for effecting such change and such change is not detrimental or prejudicial to the interests of the Employees.
- 4.4 Nothing contained in the Plan shall be construed to prevent the Company from taking any Corporate Actions which is deemed by the Company to be appropriate or in its best interest, provided that any such action shall not amount to varying the terms of the Scheme such that it may be prejudicial to the interests of Employees.
- 4.5 All decisions made by the Compensation Committee in the matters referred to in Clause

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4 shall be conclusive and binding on all parties concerned (including, but not limited to, Grantees and/or Participants and their Beneficiaries or successors). Neither the Company nor the Board/Committee shall be liable for any action or determination made in good faith with respect to this Scheme or any Option Granted hereunder. However, the Committee shall ensure that the rights of the Participants are not altered to their detriment due to such action or determination.

- 4.6 The Compensation Committee shall frame suitable policies and procedures to ensure that there is no violation of any securities laws including 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 Securities Market) Regulations, 2003 or any statutory modification or re-enactment of these regulations by the Company or any of its Employees, as applicable.
- 4.7 The Compensation Committee shall have a right to delegate or authorize any officer of the Company, if required and subject to the extent allowed under the Applicable Law, such power to do specific acts and things without limitation to the listing of Shares on recognized Stock Exchange(s) arising pursuant to Exercise of Vested Options, execution and submission of various document(s) to recognized Stock Exchange(s) or any other institution as may be deemed necessary in connection with the Scheme.

### **5. Shares Pool**

- 5.1 Subject to the provisions of Clause 4.2(p), the maximum number of Shares that may be issued pursuant to this Scheme shall not exceed 18,16,345 (Eighteen Lakh Sixteen Thousand Three Hundred and Forty-Five) Shares. These Shares shall be allotted to the Participants upon Exercise of the Vested Options by them, pursuant to this Scheme and the Grant Letters.
- 5.2 The number of Shares that may be granted under the Scheme per Employee and in aggregate (taking into account all Grants) for such Employee, shall not exceed 4,99,899 (Four Lakhs Ninety-Nine Thousand Eight Hundred and Ninety-Nine) Shares.
- 5.3 If any Option shall for any reason expire or otherwise terminate, in whole or in part, without having been Exercised in full, the Shares not acquired under such Option shall again become available for issuance under this Scheme.
- 5.4 Where Shares are issued consequent upon Exercise of an Option under this Scheme, the maximum number of Shares which can be issued pursuant to this Scheme as referred to in Clause 5.1 above shall stand reduced to the extent of such Shares issued.
- 5.5 In case of a Share split or consolidation, if the revised face value of the Share is less or more than the current face value as prevailing on the date of coming into force of this Scheme, the maximum number of Shares being granted 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.

### **6. Grant of Options**

- 6.1 The Committee may offer Options to a Grantee in accordance with the terms and

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conditions of this Scheme for the time being in force. Grant Letters will contain salient features of this Scheme and will specify the number of Options to which the Participant is entitled, the Exercise Price, method of payment, the Closing Date of accepting the offer and such other details as the Committee may specify.

- 6.2 Each Option will entitle a Participant to one Share of the Company.
- 6.3 The Grant of Options to non-resident Participants shall be in compliance with Applicable Laws, including the FEMA Regulations, as amended from time to time.
- 6.4 The Closing Date shall not be more than 30 (thirty) days from the Grant Date.
- 6.5 This Scheme shall not constitute or form part of any terms of employment or contract of employment between the Company and the Participants. The rights and obligations of any Participant under the terms of his office or employment with the Company shall not be affected by his participation in this Scheme or any right, which he may have to participate in it. The Grant of Options pursuant to this Scheme shall not be construed as giving a Participant the right to be retained in the employment of the Company nor shall the terms of employment of a Participant be affected in any manner whatsoever.

### **7. Method of acceptance**

- 7.1 Any Grantee who wishes to accept an offer made pursuant to Clause 6 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.
- 7.2 Any Grantee who fails to return the Acceptance Form on or before the Closing Date shall, unless the Committee determines otherwise, be deemed to have rejected the offer made pursuant to Clause 6 above and any acceptance received after the Closing Date shall not be valid.
- 7.3 Upon receipt of a duly completed Acceptance Form from a Grantee in respect of the Grant, the Grantee will become a Participant. No amount would be required to be paid by the Option Grantee at the time of Grant and Vesting.

### **8. Vesting of Options**

- 8.1 Option granted under the Scheme shall vest not earlier than minimum period of 1 (One) year and not later than maximum period of 5 (Five) years from the date of Grant. The Committee shall determine the specific Vesting percentage and schedule which may be different for different Employees or class thereof at the time of Grant.
- 8.2 Options granted shall vest, so long as Participant continued to be an Employee as on the date of Vesting. In addition to this, the Committee shall have the power to prescribe achievement of performance condition(s)/target(s) being corporate or individual or otherwise with a predefined threshold for vesting as deemed appropriate for each employee, subject to satisfaction of which the Options would vest. Subject to the terms contained herein, the acceptance in accordance with Clause 7 above 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 a Vested Option.
- 8.3 In the event that Participant, is transferred or deputed to Subsidiary Company(ies) or

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Associate Company(ies) prior to Vesting or Exercise, the Vesting and Exercise as per the terms of Grant shall continue in case of such transferred or deputed Employee even after the transfer or deputation.

Provided that in case where options are required to be granted by the Company under the Plan in lieu of options held by an Employee under a similar plan in another company (“**Transferor Company**”) which has merged, demerged, arranged or amalgamated with the Company, the period during which the options granted by the Transferor Company were held by such Employee shall be adjusted against the minimum Vesting Period as per the Plan.

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

### 8.4 Vesting of Options in case of Employees on Long Leave

The period of leave shall not be considered in determining the Vesting Period in the event the Option Grantee is on a sabbatical, as defined in the Company policies/terms of Employment. 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.

## 9. Exercise Price

- 9.1 The Exercise Price of each Option shall be determined by the Compensation Committee at its sole discretion, at the time of Grant, which shall not be less than the Face Value of the Shares of the Company and shall not exceed the Market Price of the Shares of the Company as on the date of Grant.
- 9.2 The Exercise Price shall be specified in the letter issued to the Option Grantee at the time of the Grant.
- 9.3 The Exercise Price shall be paid to the Company by way of Cheque/Demand Draft/Online Transfer like RTGS/NEFT/Net Banking etc. or in such other manner as the Compensation Committee may decide from time to time.

## 10. Exercise of Options

- 10.1 Subject to a Participant’s continued employment with the relevant member of the Company, including its Subsidiary Company(ies) and Associate Company(ies) if any. and Clause 11, the Vested Options under this Scheme shall be exercised any time on or after the date of Vesting in accordance with Clause 8 but on or before the expiry of 1 (one) year from the date of Vesting.
- 10.2 Subject to Clause 11.1, a Participant alone can Exercise the Vested Options.
- 10.3 Subject to Clause 8 above and Clause 11 below, a Participant can Exercise the Vested Options within the Exercise Period. Such Exercise may be of all Vested Options or part

of the Vested Options.

- 10.4 No Vested Option shall be exercisable in fractional form.
- 10.5 Exercise of Vested Options shall take place at the time and place designated by the Committee and shall be by executing such documents as may be required under Applicable Laws to issue the relevant Shares to the Participants, in accordance with the Memorandum and Articles of Association and Applicable Laws.
- 10.6 A Vested Option shall be deemed to be exercised only when the Committee receives a written notice of Exercise and the Exercise Price (in accordance with this Scheme) from a Participant entitled to Exercise the Vested Option.
- 10.7 On Exercise, the Participant can subscribe to the Shares on full payment of the Exercise Price and taxes, if any required to be deducted by the Company in respect of Exercise of the Options, and the Company shall allot the Shares to the Participants, or, if requested in writing by the Participant, to the Participant jointly with another person.
- 10.8 Notwithstanding anything else contained in this Scheme, if the Participant does not Exercise his Vested Options within the Exercise Period, the Options shall lapse. The Option Grantee shall have no right or recourse over such lapsed/ cancelled Options.
- 10.9 There shall be no cashless Exercise of the Options.
- 10.10 In the event a Participant wishes to sell his Shares, he shall do so as per the terms of the Articles of Association of the Company or on such additional terms as may be determined by the Committee in this regard, in compliance with the relevant provisions of Companies Act, 2013, Rules and Regulations., and shall be subject to the lock-in period as per terms specified by the Compensation Committee in accordance with Applicable Laws, guidelines, rules and the like.

## **11. Termination of Employment**

### **11.1 On death of a Participant**

In the event of death of a Participant while being an Employee, all Options (i.e. Vested and Unvested) granted to him shall Vest in his Beneficiary immediately and may be exercised by such Beneficiary immediately. All Options, not exercised within 1 (one) year from the date of the Participant's death will lapse.

### **11.2 On disability of Participant**

All the Options (i.e. Vested and Unvested) granted to a Participant who has suffered Permanent Incapacity shall Vest with him immediately on the date of such Permanent Incapacity and may be exercised by such Participant immediately after or in case of his death can be exercised by the beneficiary immediately after, but in no event later than 1 (one) year from the date of Permanent Incapacity. All Options, not exercised within the above-specified period will lapse.

### **11.3 On Attainment of Superannuation age**

In case the employment of the Participant with the Company is terminated due to retirement on superannuation, all Options (i.e. Vested and Unvested) granted to him shall Vest immediately and may be exercised by such Participant immediately after,

but in no event later than 1 (one) year from the date of retirement on superannuation. All Options, not exercised within the above- specified period will lapse.

**11.4 Abandonment**

In the event of abandonment of service by a Participant without the consent of the Company, all Options including those, which are Vested but were not exercised at the time of abandonment of service, shall stand terminated with immediate effect. The date of abandonment of an Employee shall be decided by the Committee at its sole discretion which decision shall be binding on all concerned.

**11.5 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.), all Unvested Options granted to such Participant shall lapse on the Termination Date and the contract referred to in Clause 8.2 above.

**11.6 On Resignation**

In case the employment of the Participant with the relevant member of the Group is terminated due to resignation of the Participant from the relevant member of the Group, all the Vested Options of such Participant can be exercised within a period of 60 (sixty) days from the Termination Date. All Unvested Options of such Participant as on such Termination Date shall lapse. All Vested Options, not exercised within the above-specified period will lapse.

**11.7 Other reasons**

In case the termination of employment of a Participant with the Company due to reasons apart from those mentioned above, subject to Applicable Laws, the Compensation Committee shall decide whether the Vested Options which are not exercised as on that date can be exercised by Such Participant or not, and such decision shall be final. All the Unvested Options as on the date of separation shall stand cancelled with effect from such date unless otherwise required under Applicable Laws.

**11.8 Liquidation**

In the event of liquidation of the Company, all Vested but unexercised Options and the Unvested Options of the Participants shall lapse.

**11.9 Long Leave**

Long leave of the Participant shall not have any effect on this Scheme as applicable to the Participant.

**12. Notices and correspondence**

12.1 Any notice required to be given by a Participant to the Company or the Board/ Compensation Committee or any correspondence to be made between a Participant and the Company or the Board/ Compensation Committee may be given or made to the Company at the registered office of the Company as may be notified by the Board/ Compensation Committee in writing.

12.2 Any notice, required to be given by the Company or the Board/ Compensation Committee to a Participant or any correspondence to be made between the Company

or the Board/ Compensation Committee and a Participant shall be given or made by the Company or the Board/ Compensation Committee on behalf of the Company at the address provided by the Participant in his Acceptance Form.

**13. Beneficiary Designation**

Each Participant under this Scheme may designate/ nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit under this Scheme is to be delivered in case of his death before he receives all of such benefit. Each such designation/ nomination shall revoke all prior designations/ 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 Compensation Committee during the Participant's lifetime.

**14. Non transferability of Options**

Options granted herein shall not be transferable to any other person any shall not be assigned, alienated, pledged, mortgaged, attached, hypothecated, sold, or encumbered in any manner whatsoever 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, hypothecation, sale, transfer or encumbrance not permitted herein shall be void and unenforceable against the Company.

**15. Lock-in**

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

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

**16. Exit route in case of de-listing**

If the Company gets delisted from all the recognized Stock Exchange, then the Committee shall have the power to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance with the Applicable Law.

**17. Withholding Tax**

- 17.1 The Participants or Beneficiary (ies) shall be liable to any taxes imposed on the Exercise or disposal of the Options/ Shares, as applicable, under this Scheme, as per Applicable Laws. The Company shall have no liability, towards discharging the necessary taxes by the Participants, except to deduct withholding taxes, if any, as per Applicable Laws. The Company shall have the right to deduct from the Employee's salary, any of the Employee's tax obligations arising in connection with the Employee Stock Option or the Shares acquired upon the Exercise thereof. The Company shall



have no obligation to deliver Shares or to release Shares from an escrow established in pursuance of the Agreement until the Company's tax deduction obligations, if any have been satisfied by the Option Grantee.

**18. Accounting and Disclosures**

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

**19. Certificate from Secretarial Auditors**

The Board of Directors 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 SEBI SBEB & SE Regulations and in accordance with the resolution of the Company in the general meeting.

**20. Disputes**

Any disputes or differences of any nature arising under Scheme shall be referred to the Compensation Committee and its decision shall be final and binding in all respects.

**21. Governing Law**

21.1 This Scheme and all agreements there under shall be governed by and construed in accordance with the Applicable laws.

21.2 This Scheme and all agreements there under shall be subject to the jurisdiction of the courts at Hyderabad, Telangana, India.

21.3 Nothing in this Clause will however limit the right of the Company to bring proceedings against any Employee in connection with this Scheme:

a) in any other court of competent jurisdiction; or

b) concurrently in more than one jurisdiction.

21.4 Each Participant agrees and acknowledges that he has received and read a copy of this Scheme. The Options are subject to this Scheme. Any term of this Scheme that is contrary to the requirement of Applicable Laws shall not apply to the extent it is contrary.

**22. Regulatory approvals**

The implementation of this Scheme, the Granting of any Option under this Scheme and the issuance of any Shares under this Scheme shall be subject to the procurement by the Company and the Participants of all approvals and permits, if any, required from

time to time by any regulatory authorities having jurisdiction over this Scheme or the Company, the Options and the Shares issued pursuant thereto. The Participants under this Scheme will, if requested by the Compensation Committee, provide such assurances and representations to the Company, as the Compensation Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

**23. Modification or Termination of Scheme**

23.1 The Committee at any time and from time to time;

a) revoke, add to, alter, amend or vary all or any of the terms and conditions of this Scheme or all or any of the rights and obligations of the Participants; and

b) formulate separate sets of special terms and conditions in addition to those set out herein, to apply to each class or category of Participants separately and each of such sets of special terms and conditions shall be restricted in its applications to such class or category of Participants,

Provided that no such variation, alteration, addition or amendment to this Scheme or any related documents issued hereunder shall be made if it is detrimental to the interest of the Participants, Grantees, all such variations, alterations, additions or amendments shall be approved by the Shareholders at a general meeting, pursuant to a special resolution, in compliance with the Applicable Laws including relevant provisions of SEBI SBEB & SE Regulations and Companies Act, 2013, and rules and regulations made thereunder.

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

23.2 The Committee may at any time alter the Exercise Price, provided that no such variation, alteration, addition or amendment to this Scheme shall be made if it is detrimental to the interest of the Participants / Grantees, all such variations, alterations, additions or amendments shall be approved by the Shareholders at a general meeting, pursuant to a special resolution, in compliance with the relevant provisions of SEBI SBEB & SE Regulations and Companies Act, 2013, and rules and regulations made thereunder.

23.3 Subject to compliance with Applicable Laws, the Committee may, at any time, or terminate the Scheme, subject to the approval of the Shareholders at a general meeting, pursuant to a special resolution, in compliance with the relevant provisions of SEBI SBEB & SE Regulations and Companies Act, 2013, and rules and regulations made thereunder. which shall be final & binding.

**24. Miscellaneous Provisions**

**24.1 Rights of a Shareholder**

Unless and until the Options have been exercised and Shares have been allotted to the

name of the Participant in accordance with the provisions of this Scheme, Companies Act and any other Applicable Law, the Participants shall have no rights as a Shareholder, including rights for receipt of dividend and/or for voting with respect to Options granted.

In case of any Corporate Actions the Grantee shall not be eligible for any right or status of any kind as a shareholder of the Company. However, the necessary adjustments to the number of Options or the Exercise Price or both would be made in accordance with sub-clause 4.2(p) of the Scheme.

#### **24.2 Listing**

Upon listing of the equity shares of the Company on recognized stock exchanges and subject to other provisions of the Applicable Laws, the Company shall list Shares issued under the Plan arising after the initial public offering of the Company on the recognized Stock Exchange(s) after obtaining in-principle approval from such Stock Exchange(s) in accordance with Regulation 10 of SEBI SBEB & SE Regulations and other Applicable Laws.

Fresh Grants upon listing of the equity shares of the Company on recognized stock exchanges shall be made in accordance with Regulation 12 of SEBI SBEB & SE Regulations and other Applicable Laws.

#### **25. Term of the Scheme**

a. This Scheme shall continue in effect until the earlier of its termination by the Company or the date on which all of the Shares available for issuance under this Scheme have been issued.

b. Any such termination of this Scheme shall not affect Options already Granted and such Options shall remain in full force and effect as if this Scheme has not been terminated, unless mutually agreed otherwise between the Participants and the Compensation Committee, which agreement must be in writing and signed by the Participant and the Company.

#### **26. Confidentiality**

No Participant shall divulge the details of this Scheme and/or his holdings to any person, except with the prior written permission of the Board/ Compensation Committee unless so required to do under any Applicable Law with prior intimation to the Board. Any violation may result in cancellation of Grant or compulsory re-transfer of Equity Shares to any person nominated by the Board of Directors, as the Board may deem fit without prejudice to the other action which may be taken in this regard.

#### **27. Breach of terms of Scheme**

In the event of breach of terms of this Scheme by a Participant as determined by the

Compensation Committee, all the Vested Options and Unvested Options of such Participant shall terminate on the date notified by the Compensation Committee.

**28. Inability to obtain authority**

The inability of the Company to obtain authority from any regulatory body having jurisdiction, 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.

**29. Rights of Grantee**

The grant of an Employee Stock Option does not form part of the Option Grantee's entitlement to Compensation or benefits pursuant to his contract of employment nor does the existence of a contract of employment between any person of the Company, give such person any right entitlement or expectation to have an Employee Stock Option granted to him in respect of any number of shares or any expectation that an Employee Stock Option might be granted to him whether subject to any condition or at all.

30. Neither the existence of this Plan nor the fact that an individual has on any occasion been granted an Employee Stock 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 Plan by being granted an Employee Stock Option on any other occasion.

31. The rights granted to an Option Grantee upon the grant of an Employee Stock Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the Company or Subsidiary Company (ies) or Associate Company (ies) for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).
32. The rights and obligations of an Option Grantee under the terms of his contract of employment with the Company shall not be affected by the grant of an Employee Stock Option or his participation in this Plan.
33. 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 Employee Stock Option in whole or in part in consequence of the loss or termination of his office or employment with the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).
34. The Grant of an Option to an employee does not and shall not prevent the Company from suspending, terminating, retrenching or adopting any disciplinary proceedings against such Employee.
35. Nothing contained in the Plan or in any Grant made hereunder shall:
- i) confer upon any Employee any right with respect to continuation of employment or engagement with the Company, or

ii) interfere in any way with the right of the Company to terminate his employment or services at any time.

**36. New Plans:**

Nothing contained in the Plan shall be construed to prevent the Company from implementing any other new stock option plan which is deemed by the Company to be appropriate or in its best interest, provided that any such new plan shall not amount to varying the terms of this Scheme such that it may be prejudicial to the interests of Employees., or any Grant made under the Plan.

**37. Disclaimer**

37.1 Participation in this Plan shall not be construed as any guarantee of return on the equity investment.

37.2 Investment in equity and equity related securities involve a degree of risk and the Participants should not invest any funds in Exercise of Options unless they can afford to take the risk of losing their investment. For taking a decision to Exercise the Options, the Employees must rely on their own examination of the Company including the risks involved.

37.3 In addition, the Options and Shares issued under the Plan are subject to the following additional risks:

- (a) Concentration: The risk arising out of any fall in value of shares is aggravated if the Employee's holding is concentrated in the shares of a single Company.
- (b) Leverage: Any change in the value of the share can lead to a significantly larger change in the value of the Options.

**38. Notices**

38.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this Scheme shall be in writing and shall be sent to the address of the Option Grantee available in the records of the Company and any notice to be given by an Option Grantee to the Company shall be at the addresses mentioned be

**Managing Director,**  
**Standard Glass Lining Technology Limited**  
**D-12, Phase 1, IDA Jeedimetla, Hyderabad, Telangana - 500055**  
**E-mail: [corporate@standardglr.com](mailto:corporate@standardglr.com)**