

## CAMLIN FINE SCIENCES – EMPLOYEE STOCK OPTION SCHEME 2020

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

- 1.1 This Scheme shall be called ‘**CFSL Employees Stock Option Plan 2020**’ (“**ESOP-2020**”).
- 1.2 The objective of ESOP-2020 is to reward the Eligible Employees in India and abroad for their performance and to motivate them to contribute to the growth and profitability of the Company . The Company also intends to use this Scheme to attract and retain talents in the organization. The Company views employee stock options as instruments that would enable the Employees to get a share in the value they create for the Company in future.
- 1.3 ESOP-2020 will be effective on approval by the shareholders by way of special resolution to be passed at the Extra Ordinary General Meeting of the Company scheduled on July 25, 2020 and shall continue to be in force until (i) its termination by the Board, or (ii) the date on which all of the Employee Stock Options available for issuance under the ESOP-2020 have been issued and exercised, whichever is earlier.
- 1.4 The Board of Directors or the Committee as authorized may subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the ESOP-2020.

### 2. Definitions and Interpretation

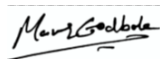
#### 2.1 Definitions

- i. “**Applicable Law**” means every law relating to Employee Stock Options, to the extent applicable, including and without limitation to the Companies Act, Securities and Exchange Board of India Act, 1992, SEBI (Share Based Employee Benefits) Regulations, 2014, as amended and all relevant tax, securities, exchange control or corporate laws of India, or amendments thereof or of any relevant jurisdiction where the Employee Stock Options are granted or of any Stock Exchange on which the Shares are listed or quoted.
- ii. “**Board**” means the Board of Directors of the Company.
- iii. “**Cause**” 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 misconduct or breach of terms of employment as determined by the Board after giving the Employee an opportunity of being heard:
- dishonest statements or acts of an Employee, with respect to the Company;
  - a felony or any misdemeanor involving moral turpitude, deceit, dishonesty or fraud committed by the Employee;
  - gross negligence, misconduct or insubordination of the Employee in connection with the performance of his duties and obligations towards the Company;

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- breach by the Employee of any terms of his employment agreement or the Company's policies or other documents or directions of Company including the reasons of non-performance;
  - participating or abetting a strike in contravention of any law for the time being in force;
  - Misconduct as provided under the labour laws after following the principles of natural justice.
- iv. **"Companies Act"** means the Companies Act, 2013 and rules made thereunder and include any statutory modifications or re-enactments thereof.
- v. **"Committee"** means Compensation Committee of the Board as constituted in accordance with Section 178 of the Companies Act, 2013, as amended from time to time and Securities Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 or such other committee as the Board may authorize for administrating the Scheme.
- vi. **"Company"** means 'Camlin Fine Sciences Limited, a Company incorporated under the provisions of the Companies Act, 1956 having its registered office at F/11-12, WICEL, Central Road, Andheri (East), Mumbai - 400 093.
- vii. **"Corporate Action"** means one of the following events:
- rights / bonus issue;
  - reorganisation of the Shares;
  - restructuring of the share capital of the Company;
  - Other reorganization of the Company in which the Shares are converted into or exchanged for:
    - a different class of securities of the Company, or
    - any securities of any other issuer, or
    - cash, or
    - other property.
- viii. **"Director"** means a member of the Board of the Company.
- ix. **"Eligibility Criteria"** means the criteria as may be determined from time to time by the Committee for granting the Employee Stock Options to the employees.
- x. **"Employee"** means (i) a permanent employee of the Company working in India or out of India and (ii) Director of the Company whether whole-time or not, but does not include:
- a. an employee who is a Promoter or a person belonging to the Promoter Group;
  - b. a Director who either by himself /herself or through his/her relatives or through any Body Corporate, directly or indirectly, holds more than 10% of the issued and subscribed Equity Shares of the Company; and





- c. An Independent Director within the meaning of the Companies Act and under Securities Board of India (Listing Obligations and Disclosure Regulations) Regulations, 2015.
- xi. **“Employee Stock Option”** means the option granted to an Employee, which gives such Employee the right, but not an obligation, to apply for and be issued at a future date the Shares underlying the option at a pre-determined price, during the Exercise Period, subject to fulfilment of requirements of Vesting.
- xii. **“Equity Shares”** means fully paid-up Equity Shares of the Company of face value of Re. 1 (Rupee One Only) each.
- xiii. **“ESOP-2020”** means Employees Stock Option Plan 2020 under which the Company is authorized to grant Employee Stock Options to the Employees.
- xiv. **“Exercise”** means making of an application by an Employee to the Company for issue of Equity Shares against Vested Options in pursuance of the ESOP- 2020, in accordance with the procedure laid down by the Company for such exercise.
- xv. **“Exercise Period”** means such time period after Vesting within which the Employee can exercise the Options vested in him/her in pursuance of the ESOP-2020 or such other period as may be provided in the Intimation within which the Eligible Employee may elect to Exercise the Vested Option.
- xvi. **“Exercise Price”** means the price payable by an Employee in order to exercise the Options granted to him in pursuance of the ESOP-2020.
- xvii. **“Grant”** means issue of Options to the Employees under the ESOP- 2020.
- xviii. **“Grant Size”** means the number of options granted to the participant.
- xix. **“Grant Date”** means the date on which the Committee approves the Grant.
- xx. **“General Meeting”** means an annual general meeting or an extraordinary general meeting or postal ballot held by the Company in compliance with the Companies Act, 2013.
- xxi. **“Grantee”** means an Employee who receives an offer of Options from the Company or the Committee under the Scheme.
- xxii. **“Intimation”** means the notice by the Board or a committee thereof to the Option Grantee/former Employee/Nominee, as the case may be, intimating the number of Vested Options that can be Exercised, the Exercise Period, and such other similar conditions surrounding the Exercise of Options;
- xxiii. **“Long Leave”** means a sanctioned leave in excess of 60 days without break.

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- xxiv. "Nominee"** means: (A) an individual appointed by the Eligible Employee by submitting a letter in the form specified by the Board in this regard, which may be revoked or change any time but before the exercise of Options; (B) if no such nomination has been made in accordance with (A) herein or if the individual nomination is not in existence, then Nominee shall mean the spouse of the Option Grantee or if the Option Grantee is unmarried at the time of death or permanent disability, then the nearest kin of the Option Grantee.
- xxv. "Option"** means Employee Stock Option within the meaning of this Scheme.
- xxvi. "Option Grantee"** means an Employee who has been granted an Employee Stock Option in pursuance of the ESOP- 2020 pursuant to a grant letter / award agreement which lays down the terms of the grant.
- xxvii. "Permanent Disability"** means any incapacity of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Board/ Committee based on a certificate of a medical expert identified by the Company.
- xxviii. "Promoter"** shall have the same meaning as assigned to the term under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
- xxix. "Promoter Group"** shall have the same meaning assigned to the term under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
- xxx. "Retirement"** means retirement as per the rules of the Company.
- xxxi. "Scheme"** means Camlin Fine Sciences Limited - Employees Stock Option Plan 2020 (referred to as "ESOP- 2020").
- xxxii. "SEBI"** means the Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992.
- xxxiii. "SEBI (SBEB) Regulations"** means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended and reenacted from time to time and includes any clarifications or circulars issued thereunder.
- xxxiv. "Shares"** means Equity Shares of the Company within the meaning of this Scheme.
- xxxv. "Stock Exchange"** means the BSE Limited ("BSE") or The National Stock Exchange of India Limited ("NSE"), or any other Stock Exchange in India on which the Company's Shares are listed or to be listed in future and shall have the same

meaning attributed to it under Section 2(j) of the Securities Contracts (Regulation) Act, 1956.

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

**xxxvii. “Vesting”** means earning by the Option Grantee, of the right to Exercise the Options granted to him in pursuance of the ESOP- 2020.

**xxxviii. “Vesting Condition”** means any condition subject to which the Options granted would vest in an Option Grantee.

**xxxix. “Vesting Period”** means the period during which the vesting of the Employee Stock Option granted to the Employee, in pursuance of ESOP- 2020 takes place.

**xl. “Vested Option”** means an Option in respect of which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible to exercise the Option.

## 2.2 Interpretation

In this Scheme, unless the contrary intention appears:

- a) the clause headings are for ease of reference only and shall not be relevant to interpretation;
- b) a reference to a clause number is a reference to its sub-clauses;
- c) words in singular number include the plural and vice versa;
- d) words importing a gender include any other gender; and
- e) reference to Company shall refer to the Company.

Words and expressions used and not defined herein but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Companies Act, and any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislation.

## 3. Authority

3.1 On passing the special resolution on July 25, 2020, the Company shall be authorized by the shareholders to issue to the eligible Employees under ESOP- 2020, Employee Stock Options not exceeding 4,400,000 (Forty Four Lakhs) convertible into not more than 4,400,000 (Forty Four Lakhs) shares of face value of Re. 1/- (Rupee One) each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the Company, in accordance with the terms and conditions of such issue.

3.2 The maximum number of Options to be granted to an Employee under ESOP-2020, in any financial year may exceed 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company, subject to receipt of approval

of shareholders by way of a separate resolution in a general meeting. The appraisal process for determining the eligibility of the employees will be decided by the Committee from time to time.

- 3.3 If an Employee Stock Option expires, lapses or is forfeited or becomes un-exercisable due to any reason, it shall be brought back to the Employee Stock Options pool and shall become available for future grants, subject to compliance with the provisions of the Applicable Laws.
- 3.4 Where Shares are allotted consequent upon Exercise of an Employee Stock Option under the ESOP - 2020, the maximum number of Shares that can be allotted under ESOP - 2020 as referred to in Sub-clause 3.1 above shall stand reduced to the extent of such Shares allotted.
- 3.5 Further, the Company has issued Foreign Currency Convertible Bonds (FCCBs) in the year 2018 and these securities may be converted into Equity Shares from time to time at the price which may be lower than the ruling market price on the date of such conversion. The Board or the Committee as may be authorized by the Board will take into account the quantum of outstanding FCCBs as on the date of grant of options and shall fix the exercise price in such a way that no further adjustments will be necessary in quantity and price of options.

#### **4. Administration**

- 4.1 The ESOP - 2020 shall be administered by the Board or by the Committee as may be authorized by the Board ("Administrators"). All questions of interpretation of the ESOP - 2020 shall be determined by the Administrators and such determination shall be final and binding upon all persons having an interest in the ESOP - 2020.
- 4.2 The Administrators shall in accordance with this Scheme and Applicable Laws determine the following:
- (a) The Eligibility Criteria for grant of Employee Stock Options to the Employees
  - (b) The quantum of Employee Stock Options to be granted under the ESOP - 2020 per Employee subject to Clause 3.1 and 3.2;
  - (c) Terms and conditions in respect of grant to, vest in and exercise of Options by the Employees and determination of exercise price which may be different for different class/ classes of Employees falling in the same tranche of grant of Options issued under ESOP - 2020, subject to compliance with ESOP-2020;
  - (d) To allow an Employee to defer the receipt of delivery of Shares that would otherwise be due to such Employee under the ESOP-2020 pursuant to such procedures as the Administrators may determine;
  - (e) The procedure for making a fair and reasonable adjustment in case of Corporate Actions such as merger, demerger, sale of division, stock-split, stock consolidation, rights issues, bonus issues and others;
  - (f) The procedure and terms for the Grant, Vest and Exercise of Employee Stock Options in case of employees who are on long leave;

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- (g) Deciding on disallowance of options in case of misconduct on the part of Option Grantee.
- (h) The procedure for Vesting in case of termination of employment, if required;
- (i) The procedure for cashless exercise of Employee Stock Options, if required;
- (j) Approve forms, writings and/or agreements for use in pursuance of the ESOP - 2020;
- (k) To make changes to the vesting criteria, adjustment to the exercise price etc.
- (l) To make all other determinations deemed necessary or advisable for administering ESOP-2020.

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

4.4 The Administrator's decisions, determinations and interpretations will be final and binding on all Employees.

## **5. Eligibility and Applicability**

5.1 Only Employees within the meaning of this Scheme are eligible for being granted Stock Options under ESOP - 2020. The specific Employees to whom the Stock Options would be granted, the exercise price, vesting schedule and their Eligibility Criteria would be determined by the Board/Committee.

5.2 The Scheme shall be applicable to the Company and any successor Company thereof, and may be granted to the Employees and Directors of the Company as determined by the Board/Committee at its own discretion.

## **5.3 Grant**

The Compensation Committee will, based on the Eligibility Criteria, identify the Employees eligible for the grant of Employee Stock Options. Options would be granted to such eligible Employees, on terms as are stipulated in the ESOP- 2020. No Amount shall be payable at the time of grant.

## **5.4 Terms and conditions**

- a) Unless otherwise provided by the Committee at the time the Employee Stock Options are granted, the Employee Stock Options granted to an Employee shall be subject to the terms and conditions set forth in this Scheme.
- b) Grant of Employee Stock Options shall be evidenced by the Employee Stock Option Agreement in such form, as the Committee shall from time to time

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determine. Such Agreement shall be deemed to incorporate all of the terms of the ESOP 2020, as if the same were set out therein.

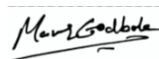
## **6. Vesting Schedule and Vesting Conditions**

- 6.1 The options granted shall vest so long as an employee continues to be in the employment of the Company . The Committee may, at its discretion, lay down certain performance metrics on the achievement of which such options would vest, the detailed terms and conditions relating to such vesting, and the proportion in which options granted would vest subject to the minimum vesting period of 1 (one) year.
- 6.2 The vesting dates in respect of the options granted under the Scheme may vary from employee to employee or any class thereof and/or in respect of the number or percentage of options granted to an employee.
- 6.3 Options shall vest essentially based on continuation of employment and apart from that the Board or Committee may prescribe achievement of any performance condition(s) for vesting. Vesting/lock-in period may occur in tranches or otherwise.
- 6.4 Options granted under ESOP - 2020 would vest subject to maximum period of 10 (ten) years from the date of respective grant/s of such options.
- 6.5 The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document(s) given to the Option Grantee at the time of grant of Options.

## **7. Exercise**

### **7.1 Exercise Price:**

- a) The exercise price per option would be determined by the Committee and such exercise price may be different for different classes of Employees who are granted options under CFSL ESOP 2020 in the same tranche. In any case, the exercise price per option shall not be less than: (a) the face value of the shares of the Company and (b) INR 50. Further, the exercise price per option shall be at a maximum discount of 10% (ten percent) to the closing price of the shares of the Company on the date immediately preceding the date of grant of the options. For the sake of clarity, in the context of calculation of the exercise price, any reference to the closing price of the shares of the Company shall mean the higher of the closing price of the Company's equity shares on BSE or NSE, as the case may be.
- b) Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company, or by any other payment methods prevalent in RBI recognized banking channels or in such other manner and subject to such procedures as the Board/Committee may decide.







- c) Company may reprice the Options which are not exercised, whether or not they have been vested if the Schemes is rendered unattractive due to fall in the price of the shares in the stock market:  
 Provided that the Company shall ensure that such repricing shall not be detrimental to the interest of the Employees and approval of the shareholders in general meeting has been obtained for such repricing.

**7.2 Exercise Period:**

**(a) While in employment:**

- (i) The Exercise period shall remain open for a period of ten (ten) years from the date of respective vesting or such other period as may be decided by the Committee from time to time. The options granted may be exercised by the Grantee at one time or at various points of time within the Exercise Period as determined by the Committee from time to time.
- (ii) The Vested options shall be exercisable by the Employees by a written application (which will include making applications online using any ESOP administration software) to the Company expressing his/ her desire to exercise such options in such manner and on such format as may be prescribed by the Committee from time to time. The options shall lapse if not exercised within the specified exercise period.

**(b) Exercise Period in case of separations:** Options can be exercised as per provisions outlined below:

Sr. No.	Separations	Vested Options	Unvested Options
1	Resignation	All Vested Options as on date of submission of resignation may be exercised by the Option Grantee <b>within the permitted Exercise Period.</b>	All Unvested Options on the date of submission of resignation shall stand <b>cancelled</b> with effect from that date.
2	Termination (With cause)	All Vested Options which were not allotted at the time of such termination shall stand <b>cancelled</b> with effect from the date of such termination.	All Unvested Options on the date of such termination shall stand <b>cancelled</b> with effect from the termination date.

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3	<b>Retirement or early Retirement approved by the Company</b>	All Vested Options as on date of retirement may be exercised by the Option Grantee <b>within permitted Exercise Period.</b>	All Unvested Options shall vest as per original vesting schedule and may be exercised by the Option Grantee <b>within permitted Exercise Period.</b>
4	<b>Death</b>	All Vested Options may be exercised by the Option Grantee's nominee or legal heir immediately after, <b>within permitted Exercise Period.</b>	All the Unvested Options as on the date of death shall vest immediately and may be exercised by the Option Grantee's nominee or legal heir/s within <b>the permitted Exercise Period.</b>
5	<b>Permanent Disability</b>	All Vested Options may be exercised by the Option Grantee or, if the Option Grantee is himself, unable to exercise due to such disability, the nominee or legal heir, immediately after, <b>within the permitted Exercise Period</b>	All the Unvested Options as on the date of such Permanent Disability shall vest immediately and can be exercised by the Option Grantee or, if the Option Grantee is himself unable to exercise due to such incapacity, the nominee or legal heir immediately after, <b>within the permitted Exercise Period.</b>
6	<b>Abandonment*</b>	All the Vested Options shall stand <b>cancelled.</b>	All the Unvested Options shall stand <b>cancelled.</b>
8	<b>Other reasons apart from those mentioned above</b>	The Committee shall decide whether the Vested Options as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All Unvested Options on the date of separation shall stand <b>cancelled</b> with effect from that date.

*\*The Board/Committee, at its sole discretion shall decide the date of cancellation of Option's and such decision shall be binding on all concerned.*

7.3 In the event of transfer of an Employee from the Company to its Subsidiary Company, if any, the Unvested Options as on the date of transfer, shall continue to vest as per the original vesting schedule and be exercised, subject to the compliance of the Applicable Laws.

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## **8. Lock-in**

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

**Provided that** the transferability of the Shares shall be subject to the restriction for such period in terms of the Securities Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended from time to time or for such other period as may be stipulated from time to time in terms of Company's Code of Conduct for Prevention of Insider Trading.

## **9. Exit route in case of de-listing**

9.1 If the Company gets de-listed from all the recognized Stock Exchanges, then the Board/Committee shall have the powers to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance of the Applicable Laws.

## **10. No restriction on Corporate Action**

10.1 The existence of the ESOP-2020 and the Grants made hereunder shall not in any way affect the right or the power of the Board or the shareholders to make or authorise any 'Corporate Action', strategic sale of substantial stake by the shareholders including any issue of Shares, debt or other securities having any priority or preference with respect to the Shares under the ESOP-2020 or the rights thereof, whether or not such action would have an adverse effect on ESOP-2020 or any Grant made under it. No Employee or other person shall have any claim against the Company or the new company / new entity that is formed or takes over a part of whole of the business of the Company because of such action.

## **11. Corporate Action**

11.1 Subject to Applicable Law, in the event of change in control of the Company or Corporate Action, a Grant made under ESOP-2020 shall be subject to adjustment by the Board (or a committee thereof) at its discretion including but not limited to the number of Options or criteria of vesting or Exercise Price or cancellation of Options (whether Vested or Unvested) in lieu of such consideration as may be determined by the Board (or a committee thereof) in its sole discretion. The decision of the Board, in this regard, shall be final and binding.

## **12. Other Terms and Conditions**

12.1 The Employee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a Shareholder in respect of Employee Stock Options granted, till Shares underlying such Employee Stock Options are allotted by the Company on exercise of such Employee Stock Option.

12.2 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Company (for example, bonus shares, rights shares,

dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Option Grantee Exercises the Employee Stock Option and becomes a registered holder of the Shares of the Company.

- 12.3 The Employee Stock Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 12.4 Neither ESOP-2020 nor grant of Options under ESOP-2020 will confer upon an Employee any right with respect to continuing the Employee's employment with the Company nor will it interfere in any way with the Employee's right or the Company's right to terminate such relationship at any time, with or without cause, to the extent permitted by Applicable Laws.
- 12.5 If the Company issues bonus shares or rights shares, the Option Grantee shall not be eligible for the bonus or rights shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with clause 4.2 (e) of ESOP - 2020.
- 12.6 Employee Stock Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case provisions in table under Sub-clause 7.2(b) would apply.
- 12.7 No person other than the Employee to whom the Employee Stock Option is granted shall be entitled to Exercise the Employee Stock Option except in the event of the death of the Option Grantee, in which provisions in table under Sub-clause 7.2 (b) would apply.

### **13. Taxation**

- 13.1 The liability of paying taxes, if any, in respect of Employee Stock Options granted pursuant to this Scheme and the Shares issued pursuant to exercise thereof shall be entirely on Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder and/or Income Tax Laws of respective countries as applicable to eligible Employees of Company working abroad, if any.
- 13.2 The Company shall have the right to deduct from the Employee's salary or recover any tax that is required to be deducted or recovered under the Applicable Laws. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.
- 13.3 The Company shall have no obligation to deliver Shares until the Company's tax deduction obligations, if any, have been satisfied by the Option Grantee in full.

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

- 14.1 The Board/ Committee may, if it deems necessary, modify, change, vary, amend, suspend or terminate the ESOP - 2020, subject to approval from the shareholders and compliance with the Applicable Laws and Regulations.



## **15. Miscellaneous**

### **15.1 Surrender of Options**

An Option Grantee, may at any time, surrender his/her Options; in which case the Company shall not be liable to pay any compensation to the Option Grantee on account of his/her surrender of Options. Thereafter, the surrendered Options shall expire and stand terminated with effect from the date of surrender of Options. The Options so surrendered by the Option Grantee will be added back to the ESOP-2020 pool of un-granted Options and pursuant to this the Option Grantee shall cease to have any rights and obligations over such Options.

### **15.2 Government Regulations**

The ESOP - 2020 shall be subject to all Applicable Laws to the extent applicable. The grant of Options and allotment of Shares to the Employees under ESOP - 2020 shall be subject to the Company requiring the Employees to comply with all Applicable Laws.

### **15.3 Inability to obtain authority**

The inability of the Company to obtain authority from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful allotment and issuance of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of such inability.

15.4 Neither the existence of this Scheme 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 shall in future have any such right, entitlement or expectation to participate in ESOP - 2020 by being granted an Employee Stock Option on any other occasion.

15.5 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 for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

15.6 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.

15.7 Participation in ESOP - 2020 shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the market price of the Shares and the risks associated with the investments are that of the Employee alone.

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15.8 Insider Trading etc.

The Employee shall ensure that there is no violation of:

- a. SEBI (Prohibition of Insider Trading) Regulations, 2015; and
- b. SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003; and
- c. Any other regulations to prevent fraudulent or harmful practices relating to the Securities Market.

The Employee shall keep the Company, the Board, the Committee fully indemnified in respect of any liability arising for violation of the above provisions.

**16. Accounting and Disclosures**

16.1 The Company shall follow the accounting methodology and disclosure requirements as prescribed under the 'Indian Accounting Standard (Ind AS) 102 Share-based Payment' or the relevant accounting standards as may be prescribed by the relevant authorities from time to time.

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

16.3 The Company shall make disclosures to the prospective Option Grantees containing statement of risks, information about the Company and salient features/Scheme document of the ESOP - 2020 in a format as prescribed under SEBI (SBEB) Regulations.


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

**17. Method of option valuation:**

The Company will value the options at fair value as prescribed under the 'Indian Accounting Standard (Ind AS) 102 Share-based Payment' or the relevant accounting standards as may be prescribed by the relevant authorities from time to time.

**18. Certificate from Auditors**

18.1 The Board shall at each annual General Meeting place before the Shareholders a certificate from the Auditors of the Company that the Scheme has been implemented in accordance with the SEBI (SBEB) Regulations and in accordance with the resolution of the Company in the General Meeting.





## 19. Governing Laws

19.1 The terms and conditions of the ESOP - 2020 shall be governed by and construed in accordance with the Applicable Laws including the Foreign Exchange Laws mentioned below.

### 19.2 Foreign Exchange Laws

In case any Employee Stock Options are granted to any Employee being resident outside India belonging to the Company working outside India, the provisions of the Foreign Exchange Management Act, 1999 and Rules or Regulations made thereunder as amended and enacted from time to time shall be applicable and the Company has to comply with such requirements as prescribed from time to time in connection with Grant, Vest, Exercise of Employee Stock Options and allotment of Equity Shares thereof.

## 20. Notices

20.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOP - 2020 shall be in writing. The communications shall be made by the Company in any one or more of the following ways:

- (i) Sending communication(s) to the address of the Option Grantee available in the records of the Company; or
- (ii) Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; or
- (iii) Emailing the communication(s) to the Option Grantee at the official email address provided, if any, by the Company to the prospective /existing Option Grantee during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.

20.2 Any communication to be given by an Option Grantee to the Company in respect of ESOP - 2020 shall be sent to the person at the address mentioned below or mailed at:

**Name of Person : Mandar Godbole**

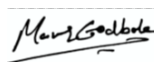
**Designation : Company Secretary & Compliance Officer**

**Address : F/11-12, WICEL, Opposite SEEPZ, Central Road, Andheri (East),  
Mumbai – 400 093.**

**Email : [secretarial@camlinfs.com](mailto:secretarial@camlinfs.com)**

## 21. Jurisdiction

21.1 The Courts/National Company Law Tribunal, as the case may be, in Mumbai, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP - 2020.







21.2 Nothing in this Clause shall however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP - 2020:

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

## **22. Severability**

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

## **23. Confidentiality**

23.1 An Option Grantee must keep the details of the ESOP- 2020 and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, co-employees or with any employee and/ or associate of the Company or that of its affiliates. In case Option Grantee is found in breach of this Clause on confidentiality, all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this Clause on confidentiality shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this Clause, the Board shall have the authority to deal with such cases as it may deem fit.

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

**For Camlin Fine Sciences Limited**


**Mr. Mandar Godbole**  
**Company Secretary & Compliance Officer**  
**ACS 30240**

Place: Mumbai

Date: 30<sup>th</sup> July, 2020