
Banka BioLoo Limited

CIN L90001TG2012PLC082811

Registered Office: A-109 Express Apartments, Lakdi ka Pool,
Hyderabad – 500004

Corporate Office: 5th floor, Prestige Phoenix, 1405, Uma Nagar, Begumpet,
Hyderabad - 500016



***“Banka BioLoo Limited
Employees Stock Option Plan - 2023”***

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1. Name of this Plan

This employee stock option plan shall be termed the “Banka BioLoo Limited Employees Stock Option Plan - 2023” (“Plan” or “ESOP 2023” or “Scheme”). This Plan has been formulated by the Committee of Banka BioLoo Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Plot No. 11-4-651, Flat No. A 109, Express Apartments, Lakdi ka Pool, Hyderabad - 500004 (“the Company”). The plan has been approved by the Board of Directors and the Shareholders of the Company on 25 August, 2023 and 25 September, 2023 respectively.

The Scheme shall be effective from the date of approval of the Scheme by the shareholders of the Company (i.e.) 25 September, 2023.

2. Purpose

The Company has structured this Plan for Employees, whose present and potential contributions are important to the success of the Company, by offering them an opportunity to participate in the Company’s future and also acquire a proprietary interest in the Company by award of Options.

Key objectives of this Plan are as under.

- a) Create sense of ownership amongst Employees through equity-based compensation and provide them an opportunity to partner in the success of business
- b) Attract premium talent to join the Company
- c) Retention of key talent within the Company
- d) Recognizing contributions of the Employees who are crucial for the success of the Company in the long run.
- e) Provide an opportunity for wealth sharing with Employees

These objectives/ purposes are sought to be achieved through the Grant of Options to Eligible Employees (as defined below) under this Plan.

3. Applicability, Term and Conditions

- 3.1 This ESOP 2023 applies only to Eligible Employees as selected by the Committee as the case may be, from time to time in accordance with the provisions of SEBI (SBEBASE) Regulations, 2021.

- 3.2 This ESOP 2023 shall become effective on the approval from the shareholders (“Effective Date”) and shall terminate upon the date on which all the Options available for issuance under this ESOP, 2023 have been issued pursuant to the Grant of Options and have been Exercised by the Grantee.
- 3.3 Notwithstanding anything contained herein, this ESOP, 2023 shall subsist or continue purely at the discretion of the Board and/or the Committee and can be terminated at any time at the sole discretion of the Board and/or the Committee in accordance with Applicable Law.
- 3.4 The Board or the Committee may, subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate this ESOP 2023. Unless otherwise determined by the Board and/or the Committee, termination of this ESOP 2023 shall not affect the Grant, Vesting or Exercise (all terms defined below) of the Options already issued under this ESOP, 2023.

4. Definitions

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

- 4.1 **“Applicable Law”** means every law relating to Options, Employee Stock Options by whatever name called, including and without limitation to 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 And Sweat Equity) Regulations, 2021 (hereinafter referred as “SEBI (SBEBASE) Regulations, 2021”) , and includes all applicable regulations, rules, notifications, circulars, guidance notes issued by SEBI and stock exchanges or any other competent authority sand includes any statutory modifications or re-enactments thereof and all relevant tax, securities, exchange control or corporate laws of India or of any relevant jurisdiction or of any Stock Exchange on which the Shares are listed or quoted.
- 4.2 **“Articles of Association”** shall mean the articles of association of the Company, as amended from time to time.
- 4.3 **“Associate Company”** shall have the same meaning as defined in SEBI (SBEBASE) Regulations, 2021.
- 4.4 **“Board”** means the Board of Directors of the Company.

- 4.5 **“Body Corporate”** shall have the same meaning as defined in section 2(11) of the Companies Act, 2013, as amended from time to time.
- 4.6 **“Committee”** means the nomination and remuneration committee constituted by the Board from time to time, designated to administer and supervise the ESOP 2023 and other employee benefit plan/schemes, if any, comprising of such members of the Board as provided under Section 178 of the Companies Act to act as a compensation committee under Regulation 5 of the SEBI (SBEBASE) Regulations, 2021.
- 4.7 **“Companies Act or Act”** means the Companies Act, 2013 read with rules issued thereunder from time to time and includes any statutory modifications or re- enactments thereof.
- 4.8 **“Company”** means ‘**Banka BioLoo Limited**’, a company registered in India under the provisions of the Companies Act, 1956, having CIN: L90001TG2012PLC082811 and having its registered office at A-109, Express Apartments, Lakdi ka Pool, Hyderabad – 500004.
- 4.9 **“Company Policies/Terms of Employment”** means the Company’s policies for Employees and the terms of employment as contained in the employment letter and the Company handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete, and non-poaching of other employees and customers.
- 4.10 **“Corporate action”** includes rights issues, bonus issues, changes in capital structure, merger and sale of division/undertaking or any other reorganization.
- 4.11 **“Director”** means a member of the Board of Directors of the Company and shall have same meaning as defined under SEBI (SBEBASE) Regulations, 2021
- 4.12 **“Eligibility Criteria”** means the criteria as may be determined from time to time by the Committee for granting the Options to the Employees.
- 4.13 **“Employee”** means
- a) an employee as designated by the company, who is exclusively working in India or outside India; or

- b) a director of the company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group; or
- c) an Employee as defined in sub-clauses (a) or (b), of a Subsidiary company, in India or out of India of the Company.

Excludes,

- a) an employee who is a Promoter or belongs to the Promoter Group;
 - b) a director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company; and
 - c) Independent Director.
- 4.14 **“Employee Stock Option”** means an option granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the Shares underlying the Option offered by the Company at a pre-determined price.
- 4.15 **“ESOP 2023 or Plan or Scheme”** means the ‘**Banka BioLoo Limited Employee Stock Option Plan - 2023**’ under which the Company is authorized to grant Options to the Employees.
- 4.16 **“Exercise”** of an Option means expression of an intention by an Employee to the Company to purchase the Shares underlying the Options vested in him, in pursuance of the ESOP, 2023, in accordance with the procedure laid down by the Company for Exercise of Options.
- 4.17 **“Exercise Period”** means such time period after vesting within which the Employee should exercise the Options vested in him in pursuance of the ESOP 2023.
- 4.18 **“Exercise Price”** means the price payable by an Employee in order to exercise the Options granted to him in pursuance of the ESOP 2023.
- 4.19 **“Fair Value”** means the fair value of an Option calculated in accordance with accounting policies specified in the Regulation 15 of SEBI (SBEBA) Regulations, 2021.
- 4.20 **“Grant”** means issue of Options to the Employees under the ESOP 2023.
- 4.21 **“Grant Date”** means the date of the meeting of the Committee in which Grant of Options to the Employees is approved.

- 4.22 **“Independent Director”** means a Director within the meaning of Section 149(6) of the Companies Act read with Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 4.23 **“Lock-in Period”** means the time period during which the shares allotted are not permitted to be transferred by an Employee.
- 4.24 **“Letter of Acceptance”** shall mean the letter required to be submitted by a Grantee, to accept the Options granted pursuant to a Letter of Grant and to acknowledge acceptance of the terms and conditions of this ESOP 2023.
- 4.25 **“Letter of Grant”** shall mean the letter issued by the Company, intimating an Eligible Employee of the Options granted to such Eligible Employee for acquiring a specified number of Shares at the Exercise Price and as per the Vesting Period described therein.
- 4.26 **“Market Price”** means the latest available closing price on the Stock Exchange on which the Shares of the Company are listed, immediately prior to the Relevant Date.

Explanation: If such shares are listed on more than one stock exchange, then the closing price on the stock exchange having higher trading volume shall be considered as the market price.

- 4.27 **“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 and opportunity of being heard, wherever required:
- a) committing of any act warranting summary termination under law; or
 - b) conduct which in the reasonable opinion of the Committee amounts to a serious breach by an Option Grantee of the obligation of trust and confidence to his employer; or
 - c) a finding by the Committee that an Employee has committed any material or consistent breach of any of the terms or conditions of the Employee service agreement including any willful neglect of or refusal to carry out any of his duties or to comply with any instruction given to him by the Committee; or
 - d) being convicted of any criminal offence; or
 - e) being disqualified from holding office in the Company or any other company under any legislation or being disqualified or disbarred from membership of, or being

- subject to any serious disciplinary action by, any regulatory body, which undermines the confidence of the Committee in the individual's continued employment; or
- f) having acted or attempted to act in any way which in the opinion of the Committee has brought or could bring the Company or any other member of the group into disrepute or discredit; or
 - g) breach or violation of any Company Policies/ Terms of Employment; or
 - h) Any other act or omission not included above, but defined as misconduct in the Company's rules or Employee handbook and / or employment agreement and/or appointment letter.

4.28 "**Option**" means Employee Stock Option within the meaning of the Plan.

4.29 "**Option Grantee**" means an Employee who has been granted an Option and who has accepted such Grant as required under the Plan and shall deem to include nominee/ legal heir of an Option Grantee in case of his/her death to the extent provisions of the Plan are applicable to such nominee/ legal heir.

4.30 "**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 Committee based on a certificate of a medical expert identified by the Company.

4.31 "**Promoter**" shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended.

4.32 "**Promoter Group**" shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended. Provided that where the Promoter or promoter group of the Company is a body corporate, the Promoters of that body corporate shall also be deemed to be Promoters of the Company.

4.33 "**Relative**" shall have the same meaning as provided in SEBI (SBEBASE) Regulations, 2021

4.34 "**Relevant Date**" means any of the following dates as the context requires: (i) in the case of Grant, the date of the meeting of the Committee on which the Grant is made; or (ii) in

the case of Exercise, the date on which the notice of Exercise is given to the Company by the Option Grantee.

- 4.35 **“Retirement”** means retirement as per the rules/policies of the Company, as may be amended from time to time.
- 4.36 **“Secretarial Auditor”** means a company secretary in practice appointed by a company under rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 to conduct secretarial audit pursuant to regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 4.37 **“SEBI (SBEBase) Regulations, 2021”** means the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and re-enacted from time to time, and includes any clarifications or circulars issued thereunder.
- 4.38 **“Shares”** means equity shares of the Company of face value of Rs. 10 (Rupees Ten Only) each fully paid-up including the equity shares arising out of the Exercise of Options granted under ESOP, 2023.
- 4.39 **“Stock Exchange”** means the National Stock Exchange of India Limited (NSE), or any other recognized stock exchanges in India on which the Company’s Shares are listed.
- 4.40 **“Subsidiary Company(ies)”** means any present or future subsidiary company(ies) of the Company as per the provisions of the Companies Act, 2013.
- 4.41 **“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.
- 4.42 **“Vesting”** means the process by which the employee becomes entitled to receive the benefit of grant made to him/her i.e., the right to Exercise the Options granted to him/her in pursuance of the ESOP 2023.
- 4.43 **“Vesting Condition”** means any condition subject to which the Options granted would vest in an Option Grantee.
- 4.44 **“Vesting Period”** means the period during which the vesting of the Option granted to the Employee, in pursuance of the ESOP 2023.

4.45 “**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.

All other expressions unless defined herein shall have the same meaning as have been assigned to them under the Act, the Securities and Exchange Board of India Act, 1992, SEBI Regulations (read with applicable circulars, notifications etc.), as amended from time to time, the Securities Contracts (Regulation) Act, 1956, or the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any statutory modification or re-enactment thereof, as the case may be.

5. Interpretation

5.1 In this ESOP 2023, unless the context thereof otherwise requires:

- 5.1.1 words importing a particular gender include any other gender.
- 5.1.2 words using the singular or plural number also include the plural or singular number, respectively.
- 5.1.3 the terms “hereof,” “herein,” “hereby” and derivative or similar words refer to this entire ESOP 2023 and not to any particular Clause, sub-Clause or section of this ESOP 2023.
- 5.1.4 whenever this ESOP 2023 refers to number of days, such number shall refer to calendar days unless otherwise specified.
- 5.1.5 any reference to any statute or statutory provision shall include:
 - a. all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated); and
 - b. such statute or provision as may be amended, modified, re-enacted or consolidated.
- 5.1.6 headings and captions are used for convenience only and shall not affect the interpretation of this ESOP 2023.
- 5.1.7 references to recitals, clauses, sub-Clauses and appendices shall be deemed to be a reference to the recitals, clauses, sub-clauses, and schedules/appendices of this ESOP 2023.
- 5.1.8 reference to a clause number shall also include reference to all its sub-clauses; an

5.1.9 reference to any Annexure hereto includes a reference to any part of that Annexure which is incorporated by reference.

5.2 In the event of any inconsistency between the provisions of this ESOP 2023 and the provisions of the employment offer letter or employment agreement of the Eligible Employee, the provisions of this ESOP 2023 shall prevail.

5.3 In the event of any inconsistency between the provisions of this ESOP 2023 and the Articles of Association, the provisions of the Articles of Association shall prevail and be deemed to have been incorporated herein by reference.

6. Eligibility

6.1 The eligibility to participate in this Plan is subject to such criteria as may be decided by the Committee at its own discretion, including, but not limited to the band of the Employee, criticality of the role, period of service, future potential, or any other criteria, as the Committee determines.

6.2 The Committee is authorised to frame such required “ESOP Eligibility Criteria Policy”, for ascertaining and identifying the suitable employees to grant such ESOPs.

6.3 Based on the eligibility criteria as described in Clause 6.1 of this Plan, the Committee will decide the Employees eligible for Grant of Options under this Plan and accordingly, the Company acting through the Committee would Grant the Options to the identified Employees.

7. Implementation and Administration of this Plan

7.1 The Scheme shall be implemented through direct route by way of fresh allotment i.e. the Company will issue and allot fresh equity shares to the Grantees upon successful exercise of Options in accordance with terms and conditions of the plan.

7.2 This ESOP 2023 shall be implemented and administered by the Committee working under the powers delegated by the Board. The Committee is authorized to interpret this Plan, to establish, amend and rescind any rules and regulations relating to this Plan, and to make any other determinations that it deems necessary or desirable for the administration and implementation of this Plan. The Committee may correct any defect, omission or reconcile any inconsistency in this Plan, in the manner, and to the extent the Committee deems

necessary, or desirable, and to resolve any difficulty in relation to the implementation of this Plan, and take any action which the Committee is entitled to take in relation thereto. The acts of a majority of the members of the Committee present at any meeting (at which the quorum is present) or acts approved in writing by a majority of the members of the entire Committee shall be the acts of the Committee for the purpose of this Plan.

- 7.3 Any decision of the Committee in the interpretation and administration of this Plan, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Employee, Grantee, Nominee and their Beneficiaries and successors). The Company (including the Board and/or the Committee) shall not be liable for any action or determination made in good faith with respect to this Plan or any Option granted thereunder.
- 7.4 The Committee shall, subject to compliance with Applicable Laws and the limitations set out in the Plan, inter alia, do the following:
- a. Adopt rules and regulations for implementing the Plan from time to time, such that they are more beneficial to the Eligible Employees.
 - b. Identify the Employees eligible to participate under the Plan.
 - c. Identify the subsidiary company employees eligible to participate under the Plan.
 - d. Grant Options to the identified Employees and determine the Grant Date, Vesting Period, Exercise Price, Exercise period and other terms and modifications thereto.
 - e. Determine the quantum of the Options, Shares or benefits as the case may be, to be granted under the Plan per Employee and in aggregate.
 - f. Determine the number of additional Options, to be granted to the Employees, from time to time.
 - g. Determine the conditions under which Options, Shares or other benefits as the case may be, may vest in Employees and may lapse in case of termination of employment for misconduct.
 - h. Accelerate the vesting of Options for the selected Eligible Employees, as may be deemed expedient.
 - i. Notify the Grantees if the Options become eligible for Exercise.
 - j. Determine the right of a Grantee to Exercise all the Vested Options at one time or various points in time when the Options have become capable of being Exercised.
 - k. Determine and notify the Exercise Period within which the Employee can Exercise the Options and when the Options would lapse on failure to Exercise the same within the Exercise Period.

- l. Determine the specified time period within which Employees shall Exercise the vested Options in the event of termination or resignation but such time shall not exceed the total Exercise Period.
- m. The procedure and detailed terms for the Grant, Vest and Exercise of Options in case of Option Grantees in general and in case of Option Grantees on long leave
- n. Where any Corporate Actions may warrant adjustment to the number of Options and/ or the Exercise Price, refer such matters to the Board.
- o. 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, merger, sale of division and others. In this regard, the following shall, inter alia, be taken into consideration by the Committee:
 - i. the number and price of Options shall be adjusted in a manner such that total value to the Employee of the options remains the same after the Corporate Action.
 - 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.
- p. Determine alteration/ modification of the Vesting Period and/ or Exercise Price for subsequent Grants such that such alternation/modification shall not be detrimental to the interest of the Eligible Employees.
- q. the procedure for buy-back of specified securities issued under these regulations, if to be undertaken at any time by the company, in terms of the applicable laws, 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.
- r. Determine alteration / amendment to the Plan, in compliance with the act.
- s. Take any other actions and make any other determinations or decisions that it deems necessary or appropriate in connection with the Plan or the administration or interpretation thereof.
- t. Refer to the Board any issue arising as a result of any inconsistency in the Plan, unless such inconsistency is of an administrative nature only; and
- u. Perform such other functions and duties as shall be required under the Applicable Laws, including but not limited to deciding on the Vesting of Options on whole-time directors upon cessation of their employment contracts with the respective companies.

7.5 The Committee shall also frame detailed terms and conditions as required under the SEBI (SBEBase) Regulations, 2021, and frame policies and systems to ensure that there is no violation of:

7.5.1 Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time),

7.5.2 Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 (as amended from time to time), and

7.5.3 any other regulation as may be notified by the Securities and Exchange Board of India or any other authority from time to time, by the Company and any Employee.

8. Pool and Ceiling of the Scheme

8.1 The Plan authorizing the Committee to Grant not exceeding 5,42,329 (Five Lakh Forty Two Thousand Three Hundred and Twenty Nine) Options to the eligible Employees in one or more tranches, from time to time, which in aggregate shall be exercisable into not more than 5,42,329 (Five Lakh Forty Two Thousand Three Hundred and Twenty Nine) equity shares (i.e. around 5% equity shares of the current paid up capital of the Company as on 30 June 2023), having face value of Rs. 10 per share (Rupees Ten Only), fully paid up, with each such Option conferring a right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided under the Plan.

8.2 The maximum number of Options that may be granted per Employee and in aggregate shall be decided by the Committee depending upon the designation and the appraisal/ assessment process. However, the Grant of Options to identified Employees, shall not, at any time exceed the total Option pool size approved by the shareholders for ESOP, 2023.

8.3 If an Option cancels, expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options pool as mentioned in clause 8.1 and shall become available for future Grants, subject to compliance with all Applicable Laws.

8.4 Where Shares are issued consequent upon exercise of an Option under the ESOP, 2023, the maximum number of Shares that can be issued under ESOP, 2023, as referred to in Clause 8.1 above shall stand reduced to the extent of such Shares issued.

8.5 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 Plan,

the maximum number of Shares available for being granted under ESOP, 2023, as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (no. of Shares X face value per Share) prior to such Share split or consolidation remains unchanged after such Share split or consolidation. Thus, for example, if the prevailing face value of each Share is Rs.10 per Share and the revised face value after the Share consolidation is Rs.100 per Share, the total number of Shares available under ESOP, 2023 would be Shares of Rs.100 each. Accordingly, the number of Options to be issued will also undergo a change. Similarly, in case of bonus issue, etc. the available number of Shares under Plan shall be revised to restore the value.

9. Grant and Acceptance of Grant

9.1 Grant of Options

- 9.1.1 Grants contemplated under the Plan shall be made on such day and month as decided by the Committee at its discretion.
- 9.1.2 Each Grant of Option under the Plan shall be made in writing by the Company to the eligible Employees by way of a letter of Grant containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Laws.
- 9.1.3 Such Grant of Option under the Plan can vary from Grantee to Grantee as per the discretion of the Compensation Committee whose decision shall be final and binding

- 9.2 The grant of 1 (One) option to an employee under this Scheme shall entitle the holder the option to apply for 1 (One) share in the Company upon payment of exercise price, subject to adjustments for corporate actions(s) and other conditions as provided in the Scheme.

- 9.3 Subject to the availability of options in the pool under the Scheme, the maximum number of options that can be granted to any one eligible Employee during any one year shall not be equal to or exceed 0.3% of the issued capital of the Company as on 30 June 2023, unless otherwise decided by the Committee.

- 9.4 The grant of options shall be communicated to the eligible employees in writing through Grant Letter specifying the vesting date, number of options granted, exercise price or pricing formula, vesting schedule, and the other terms and conditions thereof.

- 9.5 Acceptance of the Grant any eligible Employee who wishes to accept the Grant made under this Plan must deliver to the Company a duly signed acceptance of the letter of Grant on or

before the date (“Closing Date”) which shall not be more than 30 days from the date of the Grant, as specified in the letter of Grant. On receipt by the Company of the signed acceptance, the eligible Employee will become an Option Grantee.

- 9.6 Any eligible Employee, who fails to deliver the signed acceptance of the letter of Grant on or before the Closing Date stated above, shall be deemed to have rejected the Grant unless the Committee determines otherwise.

10. Vesting Schedule and Vesting Conditions

- 10.1 Options granted under ESOP 2023, shall vest after expiry of a minimum of 1 (One) year but not later than maximum of 5 (Five) years from the date of Grant, in the manner as decided by the Compensation Committee.
- 10.2 The vesting terms and conditions can vary from Grantee to Grantee, as per the discretion of the Compensation Committee whose decision shall be final and binding.
- 10.3 Provided that in case where Options are granted by the Company under the Plan in lieu of options held by a person under a similar Plan in another company (“Transferor Company”) which has merged or amalgamated with the Company, the period during which the options granted by the Transferor Company were held by him may be adjusted against the minimum Vesting Period required under this Sub-clause.
- 10.4 Vesting of Option would be subject to continued employment with the Company and its Subsidiary Company(ies).
- 10.5 As a prerequisite for a valid Vesting, an Option Grantee is required to be in employment or service of the Company/ its Subsidiary Company(ies) on the date of Vesting and must neither be serving his notice for termination of employment/ service, nor be subject to any disciplinary proceedings pending against him on the such date of Vesting. In case of any disciplinary proceedings against any Option Grantee, the Committee can keep the relevant Vesting in abeyance until disposal of the proceedings and such Vesting shall be determined accordingly.
- 10.6 The Vesting Schedule and terms and conditions thereof will be communicated to the respective grantees through Grant Letter. Subject to applicable law, the Committee shall have the power to 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, and has the power to modify or accelerate the vesting schedule.

- 10.7 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 Employee is on a sabbatical. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Committee.
- 10.8 The minimum vesting period of 1 (One) year as specified in clause 10.1 above shall not apply in the event of death or permanent incapacity of an employee, while in employment, all the options, granted under the scheme to him/her till his/her death shall vest, with effect from the date of his/her death, in the legal heirs or nominees of the deceased employee, as the case may be.

11. Exercise

11.1 Exercise Price

- 11.1.1 Subject to SEBI (SBEBASE) Regulations, 2021, the Exercise Price of the options granted under the plan as it may deem appropriate in conformity with the applicable accounting policies, if any, provided that the Exercise Price shall not be less than face value of equity share and shall not exceed market price of the Share of the Company as on date of Grant of Option which may be decided by the Committee.
- 11.1.2 The Exercise Price/ Formulae will be intimated to the Option Holder through the Grant Letter. No amount shall be payable at the time of Grant of Options. The Exercise Price shall be subject to any fair and reasonable adjustments that may be made on account of Corporate Actions of the Company in order to comply with the applicable laws.
- 11.1.3 The number of Options Granted to an Eligible Employee and the Exercise Price payable may be different for different Eligible Employees from time to time and will be determined at the time of every Grant of Options by the Committee
- 11.1.4 Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favor of the Company or by electronic mode through banking channels such as National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), Immediate Payment Service (IMPS) or in such other manner as the Committee may decide.

- 11.1.5 The mode and manner of the exercise shall be communicated to the Employees individually.
- 11.1.6 The tax amount arising at the time of exercise of Options shall be payable at the time of exercise by a cheque or demand draft drawn in the name of the Company i.e., Banka BioLoo Limited.
- 11.1.7 The liability of paying taxes, if any, on the Options Granted pursuant to this Scheme and the Shares issued pursuant to Exercise of the Options shall be entirely on the Option Grantee. In the event of any tax liability arising on account of the scheme to the Company and/or the Subsidiaries or the holding company, including any tax liability arising on account of the applicable fringe benefit tax paid or payable by the Company and/or the Subsidiaries or the holding company in respect of the Vesting, Exercise, release, or cancellation of the Options Granted by the Company, the Company, the Subsidiary or the holding company (as the case may be) shall have the right to collect the same from the Employees. In this regard, the Company may require security for such reimbursement of taxes as a precondition to Exercise of any Option to the Option Grantee.
- 11.1.8 The Company shall have the right (and cause its relevant Subsidiary) to deduct from the Option Grantee's salary, any of the Option Grantee's tax obligations arising in connection with the Employee Stock Options or the Shares acquired upon the Exercise thereof.
- 11.1.9 Upon Exercise of Options by a Grantee, the Company shall have no obligation to deliver the Shares until the tax deduction obligations of the Company or the Subsidiary or the holding companies, as the case may be, have been satisfied by the Employee in accordance with Applicable Law.

11.2 Exercise Period

11.2.1 Exercise while in employment:

The Exercise Period in respect of an Option shall be subject to a maximum period of 2 (Two) years from the date of Vesting of Options.

11.2.2 Exercise in case of separation from employment:

Subject to maximum Exercise Period stated above and subject to Applicable Law, the Vested Options can be exercised as detailed under clause 13:

11.3 Consequence of failure to exercise an Option

The amount paid by the employee, if any, at the time of grant, vesting or exercise of option—

(a) may be forfeited by the company if the option is not exercised by the employee within the exercise period; or

(b) may be refunded to the employee if the options are not vested due to non-fulfilment of conditions relating to vesting of option as per the Scheme.
as per the discretion of Committee.

11.4 In the event that an employee, who has been granted benefits under a scheme, is transferred or deputed to an associate company 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.

11.5 In the event that an employee who has been granted options under this scheme, is transferred pursuant to scheme of arrangement, amalgamation, merger or demerger or continued in the existing company, prior to the vesting or exercise, the treatment of options in such case shall be specified in such scheme of arrangement, amalgamation, merger or demerger provided that such treatment shall not be prejudicial to the interest of the employee.

11.6 The Options shall be deemed to have been Exercised when an Employee makes an application in writing to the Company or by any other means as decided by the Committee, for the issue of Shares against the Options vested in him, subject to payment of Exercise Price and compliance of other requisite conditions of exercise.

11.7 Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company or by electronic mode through banking channels such as National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), Immediate Payment Service (IMPS) or in such other manner as the Committee may decide.

11.8 Lapse of Options: If the Options are not Exercised in accordance with the terms

and conditions laid down by the Nomination and Remuneration Committee and within the stipulated time period, then such Options shall stand cancelled and revert to the Plan Pool. The Option Grantee shall have no right or recourse over such lapsed/ cancelled Options further, the Company shall not have any further obligations towards the Option Holder in respect of such lapsed Options.

12. Lock-in

The Shares arising out of the Exercise of Vested Options shall not be subject to any lock-in period from the date of allotment of such Shares under ESOP 2023 unless otherwise decided by the Committee at the time of grant of options. 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.

13. Cessation of Employment:

Subject to the employment terms of a Grantee, the following terms shall be applicable:

13.1 In the event of cessation of employment due to death:

- a)** In the event of death of the employee while in employment, all the options, any other benefit granted to him under a scheme till such date shall vest in the legal heirs or nominees of the deceased employee.
- b)** All Options granted as on date of death would vest in the Legal Heirs / Nominee of the Grantee on the date of death of the employee.
- c)** The Options would be exercisable by the Legal Heirs / Nominee within a maximum period of 2 (Two) years from the date of Vesting of Options from the date of vesting failing which all the unexercised Options shall lapse irrevocably and the rights there under shall be extinguished.
- d)** All other terms and conditions of the Scheme shall apply to such Options. Provided that, in order to exercise the Options of the deceased Grantee, the Legal Heirs / Nominee have to submit the following documents to the Company, to the satisfaction of the Committee and the Committee may at its discretion waive off the requirement to submit any of the documents:

✓ **In case nominee is not appointed**

- Copy of the succession certificate / probate of will / letter of administration.
- No objection certificate from the other legal heirs.
- Photo copy of the death certificate duly attested by the proper authority (English translated version if in the vernacular language)
- Specimen signature of the person(s) in whose name Shares are to be transmitted (duly attested by the bank)
- Copy of PAN card of the applicant (self – attested).
- Copy of address proof (self – attested)

✓ **In case nominee is appointed**

- Photo copy of the death certificate duly attested by the proper authority (English translated version if in the vernacular language)
- Specimen signature of the person(s) in whose name Shares are to be transmitted (duly attested by the bank)
- Copy of PAN card of the applicant (self – attested).
- Copy of address proof (self – attested)

13.2 In the event of cessation of employment due to permanent incapacity:

In case the employee suffers a permanent incapacity while in employment, all the options granted to him/her under a scheme as on the date of permanent incapacitation, shall vest in him/her on that day. The Options would be exercisable within a maximum period of 2 (Two) years from the date of permanent disability, failing which the entire unexercised Options shall lapse irrevocably and the rights there under shall be extinguished.

13.3 In the event of cessation of employment due to resignation or termination:

- a) All unvested Options, on the date of cessation, shall expire and stand terminated with effect from that date unless otherwise determined by the Committee whose decision will be final and binding.
- b) Subject the terms and conditions formulated by the committee in accordance with SEBI (SBEBase) Regulations, 2021 all vested Options as on that date shall be exercisable by the Grantee by last day of employment in the Organization or before expiry of exercise period, whichever is earlier. The vested Options not so exercised shall lapse irrevocably and the rights thereunder shall be extinguished.

13.4 In the event of cessation of employment due to retirement/superannuation

In the event of cessation of employment due to retirement or superannuation, the options granted to an employee would continue to vest in accordance with the respective vesting schedules even after retirement or superannuation in accordance with the company's policies and the applicable law.

13.5 In the event of cessation of employment due to termination *(due to misconduct or ethical/ compliance violations)*

If a Grantee is terminated due to misconduct or ethical/ compliance violations, all Options granted whether vested or not shall stand terminated with immediate effect unless otherwise determined by the Committee, whose determination will be final and binding.

14. Exit route in case of de-listing

If the Company gets de-listed from all the recognized Stock Exchanges, then the 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.

15. Restriction on transfer of Options

15.1 The Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

15.2 Options shall not be transferable to any person except in the event of death/ Permanent Incapacity of the Option Grantee.

15.3 No person other than the Employee to whom the Option is granted shall be entitled to Exercise the Option except in the event of the death/ Permanent Incapacity of the Option Grantee.

16. Rights as a shareholder

16.1 The Employee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a shareholder in respect of Options granted, till Shares underlying such Options are issued by the Company upon Exercise of such Option.

- 16.2 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Company (for example, bonus shares, rights shares, dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Option Grantee exercises the Option and becomes a registered holder of the Shares of the Company.
- 16.3 If the Company issues bonus shares or rights shares, the Option Grantee shall not be eligible for the bonus or rights shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with this plan.
- 16.4 The Employee shall abide by the Company’s Code of Conduct for prevention of insider trading and Code of practices and procedures for fair disclosure of unpublished price sensitive information adopted by the Company under SEBI (Prohibition of Insider Trading) Regulations, 2015.

17. Deduction/Recovery of Tax

- 17.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this Plan 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 made thereunder and/or Income Tax Laws of respective countries as applicable to eligible Employees of the Company/ Subsidiary company(ies) working abroad, if any.
- 17.2 The Company/ Subsidiary Company(ies) 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.
- 17.3 The Company shall have no obligation to deliver Shares until the Company’s tax deduction obligations, if any, have been satisfied/ secured by the Option Grantee in full.

18. Authority to vary terms

- 18.1 For the purpose of efficient implementation and administration of the Plan but subject to the Applicable Laws and other approvals, as required, provided that the variation is not be prejudicial to the interest of the Employees, the Committee can

- 18.1.1 Revoke, add, alter, amend or vary all or any of the terms and conditions of the Plan or all or any of the rights and obligations of the Participants;
 - 18.1.2 Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Participants. Each of such sets of special terms and conditions shall be restricted in its application to those Participants;
 - 18.1.3 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 Participants;
 - 18.1.4 Alter the formula for calculation of Exercise price.
- 18.2 The Committee may also re-price the Options which are not exercised, whether or not they have vested, if Plan is rendered unattractive due to fall in the price of the shares in the stock market. Provided that the company ensures that such re-pricing is not detrimental to the interests of the employees and approval of the shareholders by a special resolution has been obtained for such re-pricing.

19. Miscellaneous

- 19.1 Neither the existence of this Plan nor the fact that an individual has on any occasion been granted an Option shall give such individual any right, entitlement or expectation that he has or will in future have any such right, entitlement or expectation to participate in this Plan by being granted an Option on any other occasion.
- 19.2 The rights granted to an Option Grantee upon the grant of an Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).
- 19.3 By accepting a Grant, a Grantee expressly acknowledges that the Grant of Option does not constitute guarantee or continuity of employment and the Company shall reserve the right to terminate the employment of Grantee with the Company in accordance with the terms of employment. Grantee shall be deemed irrevocably to have waived any entitlement, by way of compensation for loss of office or otherwise howsoever, to any sum or other benefit to compensate him for loss of any rights under this Plan.

- 19.4 The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to exercise an Option in whole or in part.
- 19.5 General Risks Participation in the ESOP, 2023 shall not be construed as any guarantee of return on the equity investment. Any loss due to fluctuations in the price of the equity and the risks associated with the investments is that of the Option Grantee alone.
- 19.6 The existence of the ESOP, 2023 and the Grants made hereunder shall not in any way affect the right or the power of the Board or the shareholders of the Company to make or authorise any change in the capital structure, including any issue of shares, debt or other securities having any priority or preference with respect to the Shares or the rights thereof or from making any corporate action which is deemed to be appropriate or in its best interest, whether or not such action would have an adverse effect on the ESOP, 2023 or any Grant made under the ESOP, 2023. No Employee or other person shall have any claim against the Company as a result of such action.
- 19.7 Nothing contained in the ESOP, 2023 shall be construed to prevent the Company directly or through any trust settled by any company, from implementing any other new scheme for granting stock options and/or share purchase rights, which is deemed by the Company to be appropriate or in its best interest, whether or not such other action would have any adverse impact on the ESOP, 2023 or any Grant made under the ESOP, 2023. No Employee or other person shall have any claim against the Company and/or trust as a result of such action.

20. Accounting and Disclosures

- 20.1 The Company shall comply with the requirements of IND-AS / such other applicable accounting standards or policies, as may be prescribed from time to time including the disclosure requirements of the Accounting Standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard, from time to time.
- 20.2 The Company shall use Fair Value method or such valuation method as may be prescribed from time to time in accordance with applicable laws for computing the compensation cost for the options granted including any 'Guidance Note on Accounting for employee share based Payments' issued in that regard from time to time.

- 20.3 Compensation cost will be recorded in the books of account of the Company as per the Accounting Standards.

21. Certificate from Auditors

As per the requirements of Applicable Law, the Committee shall at each annual general meeting place before the shareholders a certificate from the Secretarial Auditor of the Company that the ESOP, 2023 has been implemented in accordance with the SEBI (SBEBASE) Regulations, 2021 and the resolution of the Company in the general meeting.

22. Governing Laws

- 22.1 The terms and conditions of the ESOP, 2023 shall be governed by and construed in accordance with the Applicable Laws of India including the Foreign Exchange Laws mentioned below.
- 22.2 Foreign Exchange Laws In case any Options are granted to any Employee being resident outside India belonging to the Company/ its Subsidiary Company(ies), working outside India, the provisions of the Foreign Exchange Management Act, 1999 and rules or regulations made thereunder as amended and enacted from time to time shall be applicable and the Company has to comply with such requirements as prescribed from time to time in connection with Grant, Vest, Exercise of Options, and issue of Shares thereof.

23. Notices

- 23.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOP, 2023 shall be in writing. The communications shall be made by the Company in any one or more of the following ways:
- 23.1.1 Sending communication(s) to the address of the Option Grantee available in the records of the Company; and/ or
 - 23.1.2 Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; and/ or iii. Emailing the communication(s) to the Option Grantee at the official email address provided if any by the Company during the continuance of employment; or in case of cessation of employment at the email address provided by the Option Grantee.
- 23.2 All notices of communication to be given by an Option Grantee to the Company in respect of ESOP, 2023 shall be sent to the address mentioned below:

24. Nomination

Each Grantee under the Scheme may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit under the Scheme is to be delivered in case of his or her death before he receives all of such benefit. Each such nomination shall revoke all prior nominations by the same Grantee, shall be in a form prescribed by the Company and will be effective only when filed by the Grantee in writing with the Company during the Grantee's lifetime. The nominee in case of death or Permanent Incapacity of the Option Grantee shall be the legal representative recognized by the Company as the inheritor of the Option Grantee in respect of all rights and liabilities for the purposes of this Plan.

25. Corporate Action:

- 25.1 Except as hereinafter provided, any grant made shall be subject to adjustment, by the Committee, at its discretion, as to the number and price of Options or Shares, as the case may be, in the event of 'corporate action' as defined herein.
- 25.2 If there is a 'corporate action' of the Company before the Options granted under this Scheme **are exercised**, the Grantee shall be entitled on exercise of the Options, to such number of resultant Shares to which he/she would have been entitled as if all of the then outstanding Options exercised by him/her, had been exercised before such 'Change in the Capital Structure' had taken place and the rights under the Options shall stand correspondingly adjusted. In the event of a corporate action, the Committee, subject to the provisions of applicable laws, shall make fair and reasonable adjustments under the Scheme, as it deems fit, with respect to the number of Options, exercise price and make any other necessary amendments to the Scheme for this purpose. The vesting period and life of the Options shall be left unaltered as far as possible.
- 25.3 In the event of severance of employment of a Grantee, as a part of reconstitution / amalgamation / sell-off or otherwise, the Options granted and not exercised before such reconstitution / amalgamation / sell-off, shall be exercised as per the terms and conditions determined in the relevant Scheme of such reconstitution / amalgamation / sell-off.
- 25.4 In the event of a dissolution or liquidation of the Company, any vested Options outstanding under the Scheme shall be cancelled if not exercised prior to such event and no compensation shall be payable in respect of the Options so cancelled.

26. Surrender of Options:

Any Grantee to whom the Options are granted under this Scheme, may at any time, surrender his Options to the Company. In such case the Company would not be liable to pay any compensation to the Grantee on account of his surrender of Options. The Options so surrendered will be added back to the pool of the Scheme and pursuant to this the Grantee shall cease to have all rights and obligations over such Options.

27. Arbitration

In the event of a dispute arising out of or in relation to the provisions of this Plan (including a dispute relating to the construction or performance thereof), the relevant parties shall attempt in the first instance to resolve such dispute through an amicable settlement. The attempt to bring about an amicable settlement shall be considered to have failed as soon as one of the parties hereto, after reasonable attempts, which attempt shall continue for not more than 30 (Thirty) days, gives 10 (Ten) days notice thereof to the other party in writing. In case of such failure, either party may refer the dispute to a single arbitrator appointed by both the parties and failing such agreement, to three arbitrators, one to be appointed by each party and the third arbitrator to be jointly appointed by the two arbitrators appointed by the parties.

The arbitration proceedings shall be held in Hyderabad, India under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof for the time being in force. The arbitrator(s) shall give a reasoned award in writing. The arbitrator(s) shall also decide on the costs of the arbitration proceedings. The parties shall submit to the arbitrator's award and the award shall be enforceable in competent court of law at Hyderabad.

28. Jurisdiction

28.1 The Courts in Hyderabad, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP, 2023.

28.2 Nothing in this Sub-clause will however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP, 2023:

- a) in any other court of competent jurisdiction; or
- b) concurrently in more than one jurisdiction.

29. Listing of the Shares

Subject to the approval of the Stock Exchanges, the Shares issued and allotted on Exercise of the Options shall be listed on the recognized Stock Exchanges on which the Shares of the Company

are listed or proposed to be additionally listed in accordance with provisions of SEBI (SBEBASE) Regulations, 2021.

30. Severability

In the event any one or more of the provisions contained in this ESOP, 2023 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 ESOP, 2023, but ESOP, 2023 shall be construed as if such invalid, illegal, or unenforceable provision had never been set forth herein, and the ESOP, 2023 shall be carried out as nearly as possible according to its original intent and terms.

31. Confidentiality

- 31.1 An Option Grantee must keep the details of the ESOP, 2023 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 confidentiality Clause, the Company has undisputed right to terminate any agreement and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality Clause shall be final, binding and cannot be questioned by Grantee. In case of non-adherence to the provisions of this clause, the Committee shall have the authority to deal with such cases as it may deem fit.
- 31.2 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 Plan 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 Banka BioLoo Limited

ARCHANA
ARIGELA

Digitally signed by
ARCHANA ARIGELA
Date: 2023.10.11
12:20:51 +05'30'

**Archana Arigela
Company Secretary & Compliance Officer
Membership No. 65613**