GUFIC BIOSCIENCES LIMITED

EMPLOYEE STOCK OPTION PLAN 2023

(“ESOP 2023”)

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GUFIC BIOSCIENCES LIMITED

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1. Name, Objective and Term of ESOP 2023:

1.1 This Plan shall be called **"Gufic Biosciences Limited - Employee Stock Option Plan, 2023**" hereinafter referred to as **("this ESOP 2023"/"Plan")**

1.2 The objective of this ESOP 2023 is to reward the Employees for their loyalty and contribution to the Company as well as their performance, and to motivate them to keep contributing to the growth and profitability of the Company. The Company also intends to use this ESOP 2023 to attract and retain talent in the Company and to give its employees co-ownership. The Company views employee stock options as an instrument of wealth creation that would enable the Employees to share the value, they create for the Company in the years to come and to align the interests of the employees with the interests of the shareholders.

1.3 This ESOP 2023 is established by **Gufic Biosciences Limited** with effect from **September 29, 2023** being the date of Shareholders' Approval and shall continue to be in force until (i) terminated by the Compensation Committee, or (ii) the date on which all of the options available for issuance under this ESOP 2023 have been exercised and shares have been issued and allotted to the relevant Employees, whichever is earlier.

1.4 Subject to compliance with Applicable Laws, the Compensation Committee shall have the power to alter, amend, suspend or terminate this ESOP 2023. It is clarified that any alteration or amendment shall not be in any manner detrimental to the interest of the Employees.

2. Definitions and Interpretation:

2.1 Definitions:

As used herein, the following definitions will apply. It is clarified that all references to laws (whether Indian law or any other Applicable Law) or to any specific provision of any law shall mean all delegated legislation issued thereunder (as may be amended from time to time), any legislation which (wholly or in part) replaces such law/provision and any amendments to such law/provision or its replacement:

i. "**Applicable Law**" means every law relating to employee stock options, including but not limited to the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules thereunder, Securities and Exchange Board of India Act, 1992, Securities and Exchange Board of India (Share

Based Employee Benefits and Sweat Equity) Regulations, 2021 **("SEBI (SBEB) Regulations, 2021")**, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations")**, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **("Insider Trading Regulations")**, Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, Foreign Exchange Management Act, 1999 read with the rules and regulations made thereunder including circulars and notifications issued by Reserve Bank of India, Income Tax Act, 1961, as amended from time to time, and all other relevant tax laws, securities laws, exchange control regulations or corporate laws of India or any relevant jurisdiction or of any stock exchanges where the Equity Shares of the Company are listed.

ii. "**Associate Company**" shall have the same meaning as defined under Section 2(6) of the Companies Act, 2013, as amended from time to time.

iii. "**Board of Directors**" means the Board of Directors of the Company.

iv. "**Companies Act**" means the Companies Act, 2013 and the rules made thereunder and include any statutory modifications or re-enactments thereof.

v. "**Company**" means **Gufic Biosciences Limited** (CIN: L24100MH1984PLC033519), a company incorporated under the provisions of the Companies Act, 1956 having its registered office at "Shop-37, First Floor, Kamala Bhavan II, Swami Nityanand Road, Andheri (East), Mumbai – 400069, Maharashtra, India"

vi. "**Compensation Committee or Committee**" means the Committee constituted/reconstituted by the Board of Directors of the Company from time to time, by whatever name called as per the requirements of Applicable Laws, to administer and supervise this ESOP 2023 and other employee benefit Schemes, if any, comprising of such members of the Board as provided under Regulation 19 of the Listing Regulations, as amended from time to time, and having such powers as specified in SEBI (SBEB) Regulations, 2021 read with powers specified in this ESOP 2023 and is deemed to include the Nomination and Remuneration Committee of the Company authorized by the Board of Directors. The Nomination and Remuneration Committee of the Company shall act as a **"Compensation Committee"** for the purpose of this ESOP 2023.

vii. **"Employee"** means:

(a) An employee as designated by the Company, who is exclusively working in India or outside India; or

(b) Director of the Company, whether a Whole-Time Director or not, including a Non-Executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or

(c) An employee as defined in sub-clauses (a) or (b) of a group company including subsidiary or its associate company, in India or out of India, but does not include –

- an employee who is a promoter or a person belonging to the promoter group; or

- a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% percent of the outstanding equity shares of the Company;

An Employee shall continue to be an Employee during the period of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company, its Parent, any Subsidiary, Associate or any Successor.

viii. "**Equity Shares**" means equity shares of the Company having a face value of Rs.1/- each.

ix. "**Exercise**" is the act of a written application being made by the Option Holder to the Company Secretary or to the authorized person of the Company to have the Vested Options converted, whether in full or in part, and issued as Equity Shares upon payment of the Exercise Price and applicable taxes, if any, in accordance with this ESOP 2023 and the Letter of Grant.

x. "**Exercise Period**" means the period during which an Option Holder is entitled to Exercise Options in terms of this ESOP 2023, commencing from the date on which the Options become Vested Options and shall at the latest extend upto the Maximum Exercise Period unless the Exercise Period terminates prior in terms of this ESOP 2023.

xi. "**Exercise Price**" means the price, if any, payable by the relevant Employee for the Exercise of the Options and shall be the closing market price of the Company's Equity Shares quoted on the stock exchanges immediately prior to the date of Grant of the Options in question, as discounted by the Compensation Committee but shall not be less than the face value of shares.

Explanation – As the Equity Shares of the Company are listed on more than one recognized stock exchange, the closing price on the recognized stock exchange having higher trading volume shall be considered as the market price.

It is clarified that the date of Grant of the Options in question shall be the date on which the Compensation Committee approves the Grant of Options. It is further clarified that the Compensation Committee may, subject to Applicable Law and at its sole discretion, consider discounting such closing price.

xii. "**Employee Stock Option**" means the option granted to an Eligible Employee, which gives such Eligible Employee the right, but not an obligation, to purchase or subscribe at a future date the Equity Shares offered by the Company, directly or indirectly at a pre-determined price.

xiii. "**General Meeting**" shall mean the meeting of the equity shareholders of the Company.

xiv. "**Grant**" means the issue of Options to Eligible Employees under this ESOP 2023.

xv. **"Grant Date"** means the date of the meeting (including circular resolution) of the Compensation Committee in which the Grant of Options to the Employees is approved.

xvi. "**Independent Director**" means a Director within the meaning of Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the Listing Regulations.

xvii. "**Letter of Grant**" shall have the meaning as ascribed to it in Clause 6.5.

xviii. "**Maximum Exercise Period**" shall have the meaning ascribed to it in Clause 6.13.

xix. "**Merchant Banker"** means a merchant banker as defined under Regulation 2(1)(cb) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, which is registered under section 12 of the Act.

xx. "**Misconduct**" shall include 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 compensation committee after giving the Employee an opportunity of being heard, wherever required:

(a) Willful insubordination or disobedience, whether alone or in combination with others, to any lawful and reasonable order of a superior;
(b) Theft, fraud or dishonesty in connection with the employer's business or property;
(c) Willful damage to or loss of employer's goods or property;
(d) Taking or giving bribes or any illegal gratification;
(e) Habitual absence without leave or absence without leave for more than 10 days;
(f) Habitual late attendance;
(g) Habitual breach of any law applicable to the establishment;
(h) Riotous or disorderly behavior during working hours at the establishments or any act subversive of discipline;
(i) Habitual negligence or neglect of work;
(j) Frequent repetition of any act or omission for which a warning has been provided earlier;
(k) Striking work or inciting others to strike work in contravention of the provisions of any law, or rule having the force of law;
(l) Sexual harassment which includes such unwelcome sexually determined behavior (whether directly or by implication) as (i) physical contact and advances; or (ii) demand or request for sexual favours; or (iii) sexually coloured remarks, or (iv) showing pornography; or (v) any other unwelcome physical, verbal or non-verbal conduct of sexual nature;
(m) Being convicted of any criminal offence;
(n) 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;
(o) Breach or violation of any Company Policies/ Terms of Employment;
(p) Any other act which is treated as misconduct in view of the Compensation Committee.

xxi. "**Option**" means the option granted to an Eligible Employee, which gives such Eligible Employee the right, but not an obligation, to purchase or subscribe at a future date to the Equity Shares underlying the option at a pre-determined price.

xxii. "**Option Holder**" means any Eligible Employee holding the Options issued to him/her under the provisions of this ESOP 2023.

xxiii. "**Permanent Incapacity**" means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the compensation committee based on a certificate of a medical expert identified by the Company.

xxiv. **"Postal Ballot"** means voting by post or through any electronic mode.

xxv. **"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.

xxvi. **"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.

xxvii. **"Recognised Stock Exchange"** means a stock exchange that has been granted recognition under Section 4 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956).

xxviii. **"Relative"** shall mean a relative defined under Section 2(77) of the Companies Act, 2013.

xxix. **"Retirement"** shall mean retirement as per the Company's internal policy from time to time.

xxx. **"SEBI"** means the Securities and Exchange Board of India.

xxxi. "**Subsidiary Company**" shall have the same meaning as defined under Section 2(87) of the Companies Act, 2013.

xxxii. "**Unvested Option**" means an Option in respect of which the relevant conditions for Vesting have not been satisfied and as such, the Option Holder has not become eligible to exercise the Option.

xxxiii. "**Vested Option**" means an Option in respect of which the conditions specified in this ESOP 2023 or separately by the Compensation Committee have been satisfied and the Option Holder has become eligible to exercise the Option.

xxxiv. "**Vesting**" means the process by which an Option Holder is given the right to apply for Equity Shares of the Company against the Options granted to him in pursuance of this ESOP 2023.

xxxv. **"Vesting Date"** in relation to respective Options means the date from which the Options can be exercised by an Employee.

xxxvi. "**Vesting Period**" means the period during which the vesting of option granted to the eligible employee in pursuance to ESOP 2023 takes place.

All other expressions unless defined herein shall have the same meaning as have been assigned to them under the Companies Act, the Securities and Exchange Board of India Act, 1992, SEBI (SBEB), Regulations 2021 (read with applicable circulars, notifications etc.), as amended from time to time, Listing Regulations, Insider Trading Regulations, the Securities Contracts (Regulation) Act, 1956, or the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including statutory amendment(s), modification(s), enactment(s), re-enactment(s) thereof, for the time being in force) as the case may be.

2.2 <u>Interpretation:</u>

In this ESOP 2023, 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 the singular number include the plural and vice versa;
(d) words importing a gender include any other gender;
(e) the word "person" includes an individual, a firm, a trust, a body corporate or any other entity;

(f) a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
(g) unless otherwise defined the reference to the word 'days' shall mean calendar days;
(h) terms referred to but not defined in this ESOP 2023 shall, unless inconsistent to the context thereof, bear the same meaning as defined under the Applicable Laws, as valid and applicable in India;
(i) any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in visible form; and
(j) a reference to an authorization includes an approval, authorization, consent, exemption, filing, license, notarization, registration and resolution;
(k) the terms “include” and “including” shall mean “include without any limitation”; and
(l) any reference in this ESOP 2023 to face value in relation to any Equity Share or other security shall mean the value expressed on the face of the certificate representing the Equity Share or other security, at the relevant point of time, irrespective of the actual price paid for that Equity Share or other security by its holder.

3. Features of this ESOP 2023:

3.1 In this Clause, a broad overview of this ESOP 2023 is given and each of the features is explained in detail later on. The basic features of this ESOP 2023 are as follows:

3.1.1 The Shareholders of the Company at the 39th Annual General Meeting **(‘AGM’)** have passed a special resolution on **Friday, September 29, 2023** to issue not more than **5,00,000 (Five Lakhs)** Options to the eligible Employees, in one or more tranches, from time to time, under this ESOP 2023. These Options shall be convertible into **5,00,000 (Five Lakhs) Equity Shares** of the face value of Re.1 each fully paid up, which is **0.52%** (Zero Point Five Two Percent) of issued, subscribed and paid up equity share capital of the company as on the above AGM date, with each such Option conferring a right upon the Employee to apply for 1 (One) Equity Shares of the Company, in accordance with the terms and conditions of such issue.

3.1.2 The maximum number of options under this ESOP 2023 that may be granted to each employee in any year, shall in aggregate, neither be equal to nor exceed 1% (one percent) of the issued equity share capital, unless the approval of shareholders by way of separate resolution obtained.

3.1.3 The Compensation Committee of the Company shall determine the Eligible Employees, the number of Options to be granted to those Eligible Employees and other related matters depending upon the designation, loyalty, role criticality, length of service, performance of

the employee, performance of the Company and other appraisal/assessment process as may be determined by the Compensation Committee from time to time at its discretion. However, the grant of options to eligible employees, shall not, at any time exceed the total Option pool size as approved by the shareholders for ESOP 2023.

3.1.4 The Letter of Grant would specify the Vesting Period, the Exercise Price, the Exercise Period and the other terms and conditions. Further, no amount is required to be paid by the eligible employee at the time of grant of options.

3.1.5 If an Option lapses, cancels, expires or becomes un-exercisable due to any other reason, it shall be brought back to this ESOP 2023 pool and become available for future Grants, subject to compliance with all Applicable Laws. The Compensation Committee will have powers to re-grant such Options.

3.1.6 Where Equity Shares are issued consequent upon the exercise of an option under this ESOP 2023, the maximum number of Equity Shares that can be issued under this ESOP 2023 as referred to in Clause 3.1.1 above will stand reduced to the extent of such Equity Shares issued and allotted.

3.1.7 The Equity Shares arising out of the Options would be issued on the terms and conditions specified in this ESOP 2023.

4. Eligible Employees:

4.1 As determined by the compensation committee, all present and future permanent employees of the Company working in India or outside India, Employees of present and future Group Companies including Subsidiary or Associate Company(ies) in India or outside India and/or directors whether a whole-time director or not and/or such other persons, as may be permitted from time to time, under applicable Laws, rules and regulations and/or amendments thereto from time to time, are eligible to participate in this ESOP 2023 unless prohibited to participate under Applicable Laws, subject to such employees meeting such eligibility criteria set out in this ESOP 2023 and determined by the Compensation Committee from time to time, in accordance with and subject to the provisions of this ESOP 2023.

Provided that the above employees shall not include (a) an employee who is a promoter or a person belonging to the promoter group; or (b) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than

10% (Ten Percent) of the outstanding Equity Shares of the Company; or (c) any person who is acting as an Independent Director of the Company.

4.2 For the avoidance of doubt, it is clarified that permanent employees shall mean all employees who are on the payroll of the Company or of present and future Subsidiary and Associate Company(ies).

4.3 Subject to the Applicable Law, all present and future directors (Not a promoter or member of promoter group) except the Independent Directors of the Company and of present and future Subsidiary and Associate Company(ies), are eligible to participate in this ESOP 2023.

4.4 All the above-mentioned persons who are eligible to participate in this ESOP 2023 are hereinafter collectively referred to as "**the Eligible Employees**" and individually referred as "**the Eligible Employee**".

4.5 The Employee to whom the Options would be granted under this ESOP 2023, their eligibility criteria, and terms and conditions thereof would be determined by the Compensation Committee from time to time.

Provided that the Compensation Committee may in its absolute discretion be entitled to vary or modify such criteria and/or selection and/or the terms and conditions of the Grant for any employee or class of employees.

5. Compensation Committee:

5.1 The Nomination & Remuneration Committee, as constituted by the Board of Directors under Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013 shall be designated as **Compensation Committee ("Committee")** which *inter-alia* will be responsible for the effective implementation and monitoring of this ESOP 2023. The Board of Directors has the power to change the composition of the Compensation Committee from time to time, whenever required.

5.2 The terms and conditions attached to the Options and the decision of the Compensation Committee with respect to the allocation of Options would be final and binding on all employees, including the Eligible Employees.

5.3 The Compensation Committee would decide the criteria for selecting the employees who would be eligible for Grant of the Options. Further, the Compensation Committee would

select from time to time the Eligible Employees to whom the Options should be granted and determine the number of Options to be granted. The Compensation Committee may decide to allot a different number of Options to different Eligible Employees or to different categories of Eligible Employees.

5.4 The Compensation Committee in its absolute discretion has been authorized to determine all the terms governing this ESOP 2023 including but not limited to:

(a) Eligible Employees to whom the Options are to be granted;
(b) Time when the Options are to be granted;
(c) Number of tranches in which the Options are to be granted and the number of Options to be granted in each such tranche;
(d) Exercise Price;
(e) Quantum of Options to be granted per employee and in aggregate under a scheme at various point of time subject to the ceiling as specified in clause 3.1.1;
(f) Criteria for determining the number of Options to be granted to the Eligible Employees;
(g) Terms and conditions subject to which the Options granted would Vest in the Eligible Employee and may lapse in case of termination of employment for misconduct;
(h) Vesting Period and the date of Vesting of the Options granted;
(i) Terms and conditions subject to which the Vested Options would be exercisable by the Eligible Employee;
(j) Date by which the Options have to be exercised by the Eligible Employee, including any extension thereto;
(k) Number of Options to be apportioned/allocated for various grades of Eligible Employees;
(l) Assignment of weightage to the length of service, grade and performance rating;
(m) Number of Options reserved, if any, for granting to new employees who would join the services of the Company;
(n) Specified time period within which the Eligible Employee shall Exercise the Vested Option in the event of termination or resignation or other cases of separation of an Employee;
(o) Frame suitable administrative procedures for funding the Exercise of options including for Cashless Exit Facility;
(p) Procedure for buy-back of specified securities issued under this ESOP 2023, if to be undertaken at any time by the Company, and applicable terms and conditions including (i) permissible sources of financing for buy-back; (ii) any minimum

financial thresholds to be maintained by the Company as per its last financial statements; and (iii) limits upon the quantum of specified securities that the company may buy-back in a financial year.

(q) Lay down the procedure to make recommendations for making fair and reasonable adjustments 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, sub-division of shares, scheme of arrangement, amalgamation, merger, demerger, acquisition, sale of division etc.

(r) Procedure and terms for the Grant, Vesting, and Exercise of Option in case of Employees who are on long leave;

(s) Approve forms, writings and/or agreements for use in pursuance of this ESOP 2023;

(t) Determine change/alteration/modification/revision/relax in the terms and conditions of vesting including vesting Period and/ or Exercise Price for subsequent Grants such that such alteration/modification shall not be detrimental to the interest of the Eligible Employees;

(u) Refer to the Board of Directors any issue arising as a result of any inconsistency in ESOP 2023, unless such inconsistency is of an administrative nature only; and

(v) Perform such other functions and duties as shall be required under the Applicable Laws.

5.5 The Compensation Committee shall also frame, at appropriate times, suitable policies and systems for the purpose of ensuring that there is no violation of securities laws, as amended from time to time, including Insider Trading Regulations and SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 by the Company and Employees, as applicable.

5.6 Subject to Applicable Laws, the Compensation Committee and the Board of Directors shall have absolute discretion to decide in the manner deemed fit by them any matters related to this ESOP 2023 that are not specifically provided in this ESOP 2023, and any such decision of the Compensation Committee and the Board of Directors shall be Final and binding on all the Eligible Employees.

6. Terms and Conditions of Options:

6.1 The Company would grant the Options, with the rights and conditions attached to them as specified in this ESOP 2023 or as separately determined by the Compensation Committee from time to time.

6.2 The Company has agreed to create and set aside such number of Options which would entitle the Option Holders to subscribe not exceeding **5,00,000 (Five Lakhs)** Equity Shares which is **0.52%** in the aggregate of the existing number of paid-up Equity Shares of the Company.

Provided that, the maximum number of Options to be issued to any one Eligible Employee shall not, in any case, during any one year, exceed such number of Options which would entitle such Eligible Employee to subscribe to equal to or exceeding 1 (One) percent of the existing number of paid-up equity share capital of the Company unless the approval of shareholders by way of separate resolution obtained.

6.3 The Company reserves the right to issue/earmark Equity Shares / Options, at its discretion, subject to compliance with the Applicable Laws.

6.4 The Exercise Price for each Option Granted will be determined by the Compensation Committee at the time of the Grant of Options to the employees.

6.5 The Company would then, on the basis of the decision of the Compensation Committee, Grant the Options to the Eligible Employees, along with a covering letter ("**Letter of Grant**").

6.6 The Letter of Grant will set out the terms and conditions of the issue of options to the Eligible Employee as determined by Compensation Committee in accordance with the terms of this ESOP 2023 including the Exercise Price. If the Eligible Employee wishes to accept the Grant made by the Committee, then he shall communicate his acceptance to the Company Secretary or to the authorized person of the Company within 30 (thirty) days from the date of the Grant or such other period as may be permitted by Committee. If a letter of acceptance is not received within 30 (thirty) days or such other period as may be permitted by Committee from the date of the Grant, the Grant will be considered to have been not accepted. The acceptance of the Grant by the Eligible Employee shall not, in any manner, be construed to compel the Employee to Exercise his Option.

6.7 Each Option would entitle the Option Holder to subscribe to 1 (one) Equity Share at the Exercise Price mentioned in the Letter of Grant. However, the Option Holder is not obliged to exercise the Option.

6.8 Once the Exercise Period commences, the Option Holder would become eligible for the exercise of the Option, and he/she would be entitled to subscribe to the Equity Shares.

6.9 Unless permitted in this ESOP 2023, vesting of options would be subject to continued employment with the Company and/or its subsidiary and/or its associate Company. The specific performance parameters may be decided by the Compensation Committee from time to time.

6.10 Options granted in this ESOP 2023 would Vest not earlier than the minimum vesting period of 1 (One) year and not later than the maximum vesting period of 4 (Four) years from the date of Grant of such Options at the discretion of and in such manner as prescribed by the Compensation Committee from time to time.

6.11 Notwithstanding the above, the Compensation Committee, shall in its absolute discretion, have the authority to waive the aforesaid restrictions relating to the Vesting Period of Options and shall communicate to the Eligible Employee, at the time of Grant, the time and the manner of Vesting of Options, subject to a minimum vesting period of **1 (One) year** or such other minimum term from the date of grant of options as may be prescribed under Applicable Law.

Provided that in case where Options are granted by the Company under this ESOP 2023 in lieu of options held by a person under a similar Plan in another company ("Transferor Company") which has merged, demerged, arranged or amalgamated with the Company, the period during which the options granted by the Transferor Company were held by him may be adjusted against the minimum Vesting Period required under this sub-clause.

6.12 The Letter of Grant shall, besides other terms and conditions, specify the number of Options granted, the Vesting Period, the Exercise Price and the Exercise Period.

6.13 The maximum exercise period for the Exercise of an Option would be **6 (Six) months** from the date of its vesting ("**Maximum Exercise Period**") and the Option granted to an Eligible Employee would lapse if it is not exercised by him/her within the Maximum Exercise Period. When an Option lapse under any of the circumstances mentioned in this ESOP 2023, then the Option Holder shall have no right, title or interest in respect thereof or any claim against the Company.

6.14 The Eligible Employees may, at their discretion, can choose to exercise all or part of the vested options to him/her in one or more tranches or such other minimum number of vested options that are acceptable by the compensation committee during the exercise period.

6.15 If any corporate action(s) such as bonus and/or shares on a rights basis are issued by the Company or the Equity Shares of the Company are consolidated or split or if there is a merger, amalgamation, demerger and/or sale of division/undertaking or other corporate reorganization of the Company, then the Board of Directors of the Company will, on the recommendations of the Compensation Committee and subject to applicable Laws, make a fair and reasonable adjustment to the entitlement including adjustment to the number of outstanding Options and/or to the Exercise Price or both. The Compensation Committee, would, while making its recommendations, consider various factors, including, but not limited to, the following:

(a) that the number and the price of the Options shall be adjusted in a manner such that the total value of the Options remains the same after the corporate action;
(b) that, as far as possible, the Vesting Period and the life of the Options should be left unaltered.
(c) that global practices in this area, such as those in the derivatives market, may be considered;

Similarly, if the Company takes any other action which in the opinion of the Compensation Committee requires any adjustment to the number of outstanding Options and/or the Exercise Price, then the Board of Directors of the Company will, on the recommendations of the Compensation Committee, make a fair and reasonable adjustment to the number of outstanding Options and/or to the Exercise Price. The decision of the Board of Directors on this issue would be final and binding on the Eligible Employees.

Provided that nothing contained herein above shall apply to the issue and allotment of any Equity Shares that may be issued by the Company, pursuant to the approval of the shareholders, on a preferential basis to certain persons, whether they are existing shareholders and/or the Eligible Employees of the Company or not.

6.16 The Company can arrange third-party financer or financial assistance to any of the Eligible Employee to enable him/her to pay for the Exercise Price in respect of the Options Exercised by him/her. Provided that, the employee shall execute all such documents,

papers and do all such acts and things as may be required by the third-party financer for providing such financial assistance.

6.17 Except as provided in this ESOP 2023, (i) the Options granted to an Eligible Employee shall not be transferable to any person; and (ii) no person other than the Eligible Employee to whom the Options are granted shall be entitled to exercise the Option.

6.18 An Eligible Employee shall not have a right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of the Options granted to him/her, till the Equity Shares are issued and allotted to him/her on Exercise of the Options.

6.19 In case an Option Holder is transferred to / employed by any other Subsidiary or Associate Company of the Company or vice-versa (as the case may be), he/she shall continue to be entitled to exercise the Option in the manner and subject to the terms and conditions provided herein in this ESOP 2023 till such time as he/she remains an employee of such Subsidiary or Associate Company of the Company or vice-versa (as the case may be).

6.20 The Eligible Employee to whom the Options are granted shall not directly or indirectly be entitled to sell, pledge, assign, mortgage, hypothecate or otherwise transfer or dispose off or alienate in any manner all or any unexercised portion of the Options or the rights and benefits attached thereto.

6.21 Participation in the ESOP 2023 shall not be construed as any guarantee of return on the equity investment. Any loss in the fluctuations in the price of the equity and the risks associated with the investments is that of the Option Grantee alone.

6.22 The existence of the ESOP 2023 and the Grants made thereunder shall not in any way affect the right or power of the Board or the shareholders of the Company to make or authorize any change in the capital structure, including any issue of shares or other securities having any priority or preference with respect to the shares or the rights thereof or from making any corporate action or 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 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.

7. Consequences of Termination/Cessation of Service:

7.1 In the event of the death of any Eligible Employee while in employment or while he/she is still a director, the Options granted to him/her shall Vest in his / her nominee on that day as registered in the demat account of the eligible employee. In case of death, the requirement of a minimum vesting period of one year is not applicable. Accordingly, all such Vested Options as on the date of death shall be exercised by the nominee (as per demat account) within a period of 1 (One) year from the date of death of the employee or such other extended period as may be decided by the Compensation Committee. If an Eligible Employee has not made a nomination, then the Options shall Vest in his / her legal heir(s) / successor(s) as aforesaid. Provided that the legal heir/successor shall be required to produce to the Company all such documents as may be required by the Company to prove the succession to the assets of the deceased Eligible Employee. In case the proof of the succession is not produced to the Company within 1 (one) year from the date of death of the Eligible Employee or such further time as the Compensation Committee may permit in its absolute discretion, the Options shall lapse.

7.2 Similarly, in the case of permanent incapacity of an Eligible Employee while in employment or while he/she is still a director, all the Options granted to him/her till the date of his/her incapacity shall automatically Vest in him/her. In case of permanent incapacity, the requirement of a minimum vesting period of one year is not applicable. Accordingly, all such Vested Option as on the date of his/her incapacity shall be exercised by the eligible employee either himself or through a nominee (as per demat account) or legal heir within a period of 1 (One) year from the date of permanent incapacity or such other extended period as may be decided by the Compensation Committee. Provided that the Shares allotted on exercise of Option shall be issued solely in the name of an employee to whom the Options were granted. The decision whether or not an Eligible Employee is permanently incapacitated will be taken by the Compensation Committee and such decision shall be final and binding on the Eligible Employee and its nominee or legal heir.

7.3 In case of termination/discharge of the services of the Eligible Employee for any reason other than Misconduct or resignation, the Compensation Committee shall have the right to cancel all the Unvested Options which are outstanding as on the date of termination/discharge of the services of the eligible employee. All Options Vested and eligible for being Exercised shall be exercised by the terminated employees in accordance with this ESOP 2023.

7.4 In case of termination of the services of the Eligible Employee due to resignation the Unvested Options shall automatically lapse forthwith on the date of submission of resignation by an Eligible Employee to the Company. However, the Vested Options which

are not Exercised by the Eligible Employee who has resigned from the services could be exercised by such Eligible Employee, provided such Eligible Employee does not engage in any capacity with any company or entity which is in a similar business as that of the Company. All Vested Options and eligible for being exercised shall be exercised by the employee within **30 (thirty) days** from the date of submission of his/her resignation in accordance with this ESOP 2023, failing which the unexercised Options shall lapse.

7.5 In case of termination of the services of the eligible employee due to dismissal for misconduct, the options will lapse if the employment is terminated prior to Vesting. Further, the Compensation Committee shall have the right to cancel the unvested options and/or vested options and/or vested options but not exercised and/or exercised but not allotted shares to such Eligible Employee.

7.6 In case an Eligible Employee has been suspended or against whom an enquiry is being conducted for any reason, all Options shall stand suspended or lapsed and shall not Vest nor shall they be exercisable until the enquiry is completed. If the Eligible Employee is found guilty of misconduct under any such enquiry, the provisions of Clause 7.5 above shall apply.

7.7 In case the Eligible Employee retires from the Company pursuant to reaching the age of retirement as prescribed by the Company, all the options granted to an eligible employee would continue to vest in accordance with the vesting schedules even after his/her retirement. Accordingly, all Vested Options and/or Unvested Options can be retained by such Eligible Employee. All Vested Options and eligible for being exercised shall be exercised by the retired employee in accordance with this ESOP 2023 within 1 (One) year of his/her retirement or else the Vested Options will lapse. All Unvested Options shall be also exercised within 1 (One) year from the date of completion of the Vesting Period or else the Vested Options will lapse.

7.8 In case of termination of the services of the Eligible Employee due to his / her retirement pursuant to a scheme of voluntary retirement as formulated by the Company, the terms relating to Vesting and Exercise shall be framed by the Compensation Committee.

7.9 Where an Eligible Employee has been granted a long leave, then the Eligible Employee may at the sole discretion of the Compensation Committee be entitled to retain any or all the Options granted to him/her whether those Options have Vested or not at the time of going on long leave and Exercise the Option in accordance with this ESOP 2023 only on resumption of office. Provided further that, the Vesting of the Options shall be subject to

the fulfillment by the Eligible Employee of the terms and conditions prescribed by the Company or in force at the time of granting the long leave, and if the Eligible Employee fails to fulfill the prescribed terms and conditions, then all the Options which have not been exercised, whether Vested in him/her or not, shall lapse. The decision of the Compensation Committee in this respect shall be final and binding.

Provided that any period of long leave or sabbatical shall not be considered in determining the Vesting Period of any Option Holder. For the purposes of this ESOP 2023, "**long leave" or "sabbatical"** shall mean any leave, whether sanctioned or unsanctioned, taken by any employee for a period exceeding 30 (thirty) days at a stretch.

Provided that maternity leave or statutory leave availed by the Option Holder in accordance with the Applicable Law shall not be considered as a long leave.

In all other events, including approved earned leave and sick leave, but excluding unsanctioned absence from work, the period of leave, if lesser than or equal to 30 (thirty) days, shall be included in calculating the Vesting Period unless otherwise determined by the Committee. Any duration of absence from work that has not been sanctioned by the Company shall be excluded from the calculation of the Vesting Period.

7.10 In the event of abandonment of service by an Eligible Employee, all Options (Vested Options or Unvested Options) at the time of abandonment of service, shall stand terminated forthwith. The date of abandonment of service by the Eligible Employee shall be decided by the Compensation Committee at its sole discretion which decision shall be binding on such Eligible Employee.

"Abandonment" means absence of an Employee from work without a reasonable excuse for a period of 30 days or more without having communicated to the Employer any reason of absence.

7.11 For ease of reference, the provisions relating to the exercise of options under the circumstances mentioned aforesaid in this Clause have been specified in brief in "**Annexure – I"** of this ESOP 2023 hereto.

8. Exercise of Options:

8.1 After the Vesting Period is over, but during the Exercise Period, the Eligible Employee to whom Options have been issued may exercise his/her Options to acquire Equity Shares of

the Company at the predetermined Exercise Price by adopting the procedure laid down below:

8.1.1 The Eligible Employee shall make a written application to the Company Secretary or to the authorized person of the Company, in the prescribed form along with a cheque/demand draft in the name of the Company. The Eligible Employee can also opt for online modes like NEFT/RTGS/ IMPS or such other modes for payment of the exercise price in the bank account of the Company. The application shall also be accompanied by the relevant Letter of Grant which shall be cancelled by the Company. The Equity Shares shall be issued by the Company, to the Option Holder against the payment by the Option Holder to the Company of the Exercise Price, in one or more installments as the Compensation Committee may, in its absolute discretion, decide. Further, tax liabilities arising on Grant and/or vesting and/or Exercise and/or otherwise in connection with Options held by the Eligible Employee shall be borne and paid by the Eligible Employee only.

8.1.2 For the Options Exercised, the Company shall take appropriate action to allot the relevant number of Equity Shares as soon as possible but not later than 60 (Sixty) days from the date of receipt of the exercise price. Further, the allotment of Equity Shares would be subject to review by the Compensation Committee from time to time.

8.1.3 Unless otherwise amended, the Equity Shares would be of the face value of Rs.1/- each.

8.1.4 The Equity Shares would carry voting rights and other rights in accordance with the provisions of the Companies Act, 2013 or its modification or re-enactment from time to time, and the Articles of Association of the Company in force from time to time.

8.1.5 The Equity Shares shall rank *pari-passu* with the existing voting rights Equity Shares of the Company in all respects except that they shall be entitled to a pro-rata dividend for the financial year in which they are allotted, unless otherwise decided by the Board of Directors or provided by law for the time being in force. An Option Holder shall not have a right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of the Options granted to him/her till Equity Shares are issued and allotted to him /her on Exercise of the Options.

8.1.6 The Equity Shares of the Company shall be issued in Dematerialized Form only to an Option Holder in respect of the Exercise of the Options.

9. Exit Mechanism:

9.1 The Equity Shares arising out of the exercise of options may be kept under lock-in for such period of time as may be decided by the Compensation Committee/Board of Directors from time to time at its sole and exclusive discretion.

9.2 Since the Company is listed on stock exchanges, the Eligible Employee is subject to the lock-in period as may be specified by the Compensation Committee, if any, the provisions of the Articles of Association of the Company, the policies of the Company on Insider Trading and Unfair Trade Practices (to the extent applicable) and the other Applicable Laws, would be free to sell the Equity Shares acquired pursuant to Exercise of the Options at any time on the stock exchanges or by way of an off-market deal.

10. Variation, Amendment and Termination of this ESOP 2023:

10.1 **Variation, Amendment and Termination**: Subject to Applicable Laws, the Compensation Committee may at any time, vary, amend, alter, add, suspend or terminate this ESOP 2023. The Committee may formulate separate sets of special terms and conditions in addition to those set out herein, to apply to each class or category of Option Holder separately and each of such set of special terms and conditions shall be restricted in its applications to such Option Holder.

10.2 **Shareholders' Approval**: A Company may, subject to a special resolution passed by the members of the Company at any time, vary the terms of this ESOP 2023, offered pursuant to an earlier resolution of the general meeting but not yet exercised by the employees, if such variation is not prejudicial to the interest of the employees.

Notwithstanding the provisions stated above, a Company shall be entitled to vary the terms of this ESOP 2023 to meet any regulatory requirement without seeking shareholders' approval by special resolution. The notice for passing the special resolution for variation of terms of this ESOP 2023 shall disclose full details of the variation, the rationale therefor, and the details of the employees who are beneficiaries of such variation.

10.3 **Repricing of Options:** A Company may reprice options which are not exercised, whether or not they have been vested if this ESOP 2023 was rendered unattractive due to fall in the price of the shares of the Company in the stock market. Provided that, the Company ensures that such repricing is not detrimental to the interests of the employees and approval of the shareholders by a special resolution has been obtained for such repricing.

10.4 **Effect of variation, Amendment or Termination**: No amendment, alteration, suspension or termination of this ESOP 2023 will impair the rights of any Participant unless agreed to by the Participant. Termination of this ESOP 2023 will not affect the Compensation Committee's ability to exercise the powers granted to it hereunder with respect to options granted under this ESOP 2023 prior to the date of such termination.

11. Taxation & Accounting:

11.1 The Grant of the Options and issue and allotment of Equity Shares would be subject to the provisions of Applicable Laws as amended from time to time.

11.2 The Grant, Vesting and Exercise of Options will be liable to tax, if any, in the hands of the Eligible Employee in accordance with the provisions of the Income-tax Act, 1961 and the rules framed thereunder from time to time. The Company will deduct tax at source, wherever necessary, in respect of the Options.

11.3 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.

11.4 The Company shall have no obligation to deliver the shares until the Company's tax deduction obligations, if any, have been satisfied by the Eligible Employee in full.

11.5 The Company shall follow the laws/ regulations applicable to accounting and disclosure related to the Employee Stock Options and Accounting Standards IND AS 102 on Share based payments and/or any relevant accounting standards as may be prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time and /or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India ("ICAI") from time to time, including the disclosure requirements prescribed therein, in compliance with relevant provisions of Regulation 15 of SEBI (SBEB) Regulations, 2021.

12. Certificate from Secretarial Auditors:

12.1 The Board shall at each Annual General Meeting place before the Shareholders a certificate from the Secretarial Auditors of the Company that this ESOP 2023 has been implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in accordance with the resolution passed by the Company in the General Meeting.

13. Notices:

All notices of communication required to be given by the Company to an Eligible Employee by virtue of this ESOP 2023 shall be in writing. This communication shall be made by the Company in any one or more of the following ways:

(i) Sending communication(s) to the address of the Eligible Employee available in the records of the Company; or

(ii) Delivering the communication(s) to the Eligible Employee in person with acknowledgment of receipt thereof; or

(iii) Emailing the communication(s) to the Eligible Employee at the official email address provided, if any, by the Company to the prospective /existing Eligible Employee during the continuance of employment or at the email address provided by the Eligible Employee after cessation of employment.

Any communication to be given by an Eligible Employee to the Company in respect of this ESOP 2023 shall be sent in writing to the address mentioned below:

Company Secretary
Gufic Biosciences Limited
Regd. Office: 37, First Floor, Kamala Bhavan II, Swami Nityanand Road
Andheri (East), Mumbai – 400069, Maharashtra, India.

Corp. Office: SM House, 11, Sahakar Road, Vile Parle East, Vile Parle, Mumbai – 400057, Maharashtra, India.

Email: mgr_legal@guficbio.com

14. Governing Law and Jurisdiction

14.1 This ESOP 2023 shall be governed by and construed in accordance with the Applicable Laws of India.

14.2 The implementation of this ESOP 2023, the Grant of any Option as per terms of the Plan and the issuance/transfer of any Shares under this Plan shall be subject to the procurement by the Company of all approvals and permits required by any regulatory authorities having jurisdiction over this Plan, the Options and the Shares transferred pursuant thereto. The Option Holder under this Plan will, if requested by the Board and/or the Committee, provide such assurances and representations, as the Board and/or the Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

14.3 The Eligible Employee agrees and acknowledges that the Eligible Employee has received and read a copy of this ESOP 2023. The Options are subject to this ESOP 2023.

14.4 If any dispute, difference, claim or question shall at any time arise between the Company and the Eligible Employees on any of the provisions of this ESOP 2023 or matter herein contained or their respective rights, claims or liabilities hereunder in relation to or arising out of or concerning this ESOP 2023, shall be amicably settled. In the event of the failure to do so, the same shall be settled by arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

14.5 The venue of arbitration shall be Mumbai and the proceedings shall be in the English language. The decision of the sole arbitrator shall be final and binding.

14.6 Nothing in above Clauses will however limit the right of the Company to bring proceedings against any Eligible Employee in connection with this ESOP 2023:

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

15. Representation:

Neither the Company nor the Compensation Committee makes any representation regarding the performance of the Company or the future value of the Equity Shares. Each Eligible Employee should take the decision to Exercise the Options granted to him/her after considering all the provisions of this ESOP 2023 and other relevant factors.

16. 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 any other provision of this ESOP 2023, but this

ESOP 2023 shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and this ESOP 2023 shall be carried out as nearly as possible according to its original terms and intent.

17. Confidentiality:

Employees must keep the details of this ESOP 2023 and the Options Granted to them strictly confidential and must not disclose the details to any other person. In case of non-adherence to the provisions of this Clause, the Compensation Committee will have the authority to deal with such cases as it may deem fit. On acceptance of the grant of Option offered by the company, it shall be deemed that as if the Eligible Employee has authorized the Company to disclose information relating to the Eligible Employee 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.

"Annexure – I"

Consequences of Termination/Cessation

No.	Situation	Vested Options	Unvested Options
1.	In case of Death (Clause 7.1)	Can be Exercised by the nominee (registered in demat account) or legal heir(s) or successor(s) within a period of 1 (One) year from the date of death of the Eligible Employee or such other extended period as may be decided by the Compensation Committee.	Can be Exercised by the nominee (registered in demat account) or legal heir(s) or successor(s) within a period of 1 (One) year from the date of death of the Eligible Employee or such other extended period as may be decided by the Compensation Committee.
2.	Permanent Incapacity (Clause 7.2)	Can be Exercised by the Eligible Employee either himself or through a nominee (registered in demat account) or legal heir within a period of 1 (One) year from the date of permanent incapacity or such other extended period as may be decided by the Compensation Committee.	Can be Exercised by the Eligible Employee either himself or through a nominee (registered in demat account) or legal heir within a period of 1 (One) year from the date of permanent incapacity or such other extended period as may be decided by the Compensation Committee.
3.	Resignation (Clause 7.4)	All Vested Options as on date of resignation can be retained by the employee and can be exercised within 30 (thirty) days from the date of submission of his/her resignation to the Company.	All unvested options on the date of submission of resignation to the Company shall automatically lapse.
4.	Misconduct (Clause 7.5)	All vested options and/or vested options but not exercised and/or exercised but not allotted stand cancelled with effect from that date.	All Unvested Option stand cancelled with effect from that date.

No.	Situation	Vested Options	Unvested Options
5.	Suspension (Clause 7.6)	All vested options which were not exercised stand cancelled with effect from that date.	All Unvested Option stand cancelled with effect from that date.
6.	Retirement (Clause 7.7)	The Vested Options shall be exercised within 1 (one) year from the date of retirement.	The unvested options shall be exercised within 1 (one) year from the date of completion of the Vesting Period.
7.	Retirement under the voluntary retirement scheme (Clause 7.8)	The Committee will decide whether the Vested Options on the date of retirement can be exercised by the employee or not, and such decision shall be final.	The Committee will decide whether the Unvested Options on the date of retirement can be exercised by the employee or not, and such decision shall be final.
8.	Long leave (Clause7.9)	Exercise the Option in accordance with this Scheme only on resumption of office and fulfillment of terms and conditions. The decision of the Compensation Committee in this respect shall be final and binding.	Can be Exercised upon completion of vesting period, resumption of office and fulfillment of terms and conditions. The decision of the Compensation Committee in this respect shall be final and binding.
9.	Abandonment (Clause 7.10)	All vested options stand cancelled with effect from that date.	All Unvested Option stand cancelled with effect from that date.

Note: Please refer to Clause 7 for detailed terms and conditions.