Allied Blenders and Distillers Limited

ABD Employee Stock Option Scheme

(“ESOS 2024”)

Allied Blenders and Distillers Limited

CIN: L15511MH2008PLC187368

Regd. Office: 394-C, Lamington Chambers Lamington Road, Mumbai, Maharashtra, India – 400 004.

1. Name, Objective and Term of the Scheme

1.1 This Employee Stock Option Scheme shall be called **'ABD Employee Stock Option Scheme 2024' ("ESOS 2024" / "Scheme").**

1.2 The objective of the Scheme is to attract, retain, motivate and reward the key Employees of the Company and its Subsidiary(ies) for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company views Employee Stock Options **("Options")** as a long-term incentive tool that would enable the Employees not only to become co-owners, but also to create wealth out of such ownership in future resulting to achievement of sustainable corporate growth of the Company.

1.3 The Scheme is established with effect from **March 15, 2025** on which date the shareholders of the Company have approved the Scheme by way of a special resolution and shall continue to be in force until (i) its termination by the Board or Compensation Committee as per provisions of Applicable Law, or (ii) the date on which all of the Options available for Grant under the Scheme have been issued and exercised, whichever is earlier.

2. Definitions and Interpretation

2.1 Definitions

i. "**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 ("**SEBI**"), SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SBEB & SE Regulations**") and 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 recognized Stock Exchange on which the Shares are listed or quoted.

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

iii. "**Companies Act**" means the Companies Act, 2013 read with rules issued thereunder from time to time and includes any statutory modifications or reenactments thereof.

iv. "**Company**" means **"Allied Blenders and Distillers Limited"**, a company registered in India under the provisions of the Companies Act, 1956, having CIN: L15511MH2008PLC187368 and having its registered office at 394-C, Lamington Chambers, Lamington Road, Mumbai, Maharashtra, India – 400004.

v. “**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.

Policies/Terms of Employment of the Subsidiary Company as regards an Option Grantee on the payrolls of such Subsidiary Company shall be deemed to be “Company Policies/Terms of Employment” for such Option Grantee.

vi. “**Compensation Committee**” means the Nomination and Remuneration Committee constituted by the Board from time to time, to administer and supervise the Scheme and other employee benefit schemes, if any, comprising of such members of the Board as provided under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and having such powers as specified under the SBEB & SE Regulations read with powers specified in this Scheme.

vii. “**Director**” means a member of the Board of the Company.

viii. “**Eligibility Criteria**” means the criteria as may be determined from time to time by the Compensation Committee for granting the Options to the Employees.

ix. “**Employee**” means

(i) an employee as designated by the Company, who is exclusively working in India or outside India, or
(ii) a Director of the Company, whether a whole-time director or not, including a non-executive director, who is not a Promoter or member of the Promoter Group but excluding an Independent Director;
(iii) an employee as defined in sub-clauses (i) and (ii), of Subsidiary Company(ies), in India or outside India, of the Company,

but 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 anybody corporate, directly or indirectly holds more than 10% of the outstanding equity Shares of the Company.

x. “**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 at a pre-determined price.

xi. “**ESOS 2024”** or **“Scheme”** means the ABD Employee Stock Option Scheme 2024 under which the Company is authorized to grant Options to the Employees.

xii. “**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 Scheme, in accordance with the procedure laid down by the Company for Exercise of Options.

xiii. “**Exercise Period**" means such time period after Vesting within which the Employee should exercise the Options vested in him in pursuance of the Scheme.

xiv. “**Exercise Price**” means the price payable by an Employee in order to Exercise the Options granted to him in pursuance of the Scheme.

xv. “**Grant**” means issue of Options to the Employees under the Scheme.

xvi. “**Grant Date**” means the date of the meeting of the Compensation Committee in which Grant of Options to the Employees are approved or any such date which may be determined by the Compensation Committee as the Grant date.

Explanation: For accounting purposes, the Grant Date will be determined in accordance with applicable accounting standards.

xvii. “**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, as amended.

xviii. “**Market Price**” means the latest available closing price on the recognized Stock Exchange on which the Shares of the Company are listed, immediately prior to the Relevant Date.

Explanation- If Shares are listed on more than one Stock Exchange, then the closing price of the Shares on the Stock Exchange having higher trading volume shall be considered as the Market Price.

xix. “**Merchant Banker**” shall have the same meaning assigned to it 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 Securities and Exchange Board of India Act, 1992 (15 of 1992).

xx. **“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 Compensation Committee after giving the Employee an opportunity of being heard:

(i) dishonest statements or acts of an Employee, with respect to the Company;

(ii) any misdemeanour involving moral turpitude, deceit, dishonesty, or fraud committed by the Employee;

(iii) gross negligence, Misconduct or insubordination of the Employee in connection with the performance of his duties and obligations towards the Company;

(iv) breach by the Employee of any terms of his employment agreement or the Company’s policies or other documents or directions of Company;

(v) participating or abetting a strike in contravention of any law for the time being in force;

(vi) Misconduct as provided under the labour laws after following the principles of natural justice; or

(vii) Any other terms and conditions as notified by the Compensation Committee from time to time.

xxi. "**Option(s)**" means Employee Stock Options within the meaning of the Scheme.

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

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. “**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.

xxv. “**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 where the Promoter or Promoter Group of a company is a body corporate, the Promoters of that body corporate shall also be deemed to be Promoters of such company.

xxvi. "**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 Compensation 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.

xxvii. "**Retirement**" means retirement as per the rules of the Company which shall include expiry of an employment contract by efflux of time.

xxviii. "**SBEB & SE Regulations**" means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and reenacted from time to time, and includes any clarifications or circulars issued thereunder.

xxix. "**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.

xxx. "**Shares**" means equity shares of the Company of face value of **Rs. 2 (Two)** each fully paid-up including the equity shares arising out of the Exercise of Options granted under the Scheme.

xxxi. "**Stock Exchange**" means National Stock Exchange of India Limited (NSE) or BSE Limited (BSE) or any other recognized stock exchange in India on which the Company's Shares are listed.

xxxii. "**Subsidiary Company**" means any present or future Subsidiary Company of the Company, as per the provisions of the Companies Act.

xxxiii. "**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.

xxxiv. "**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.

xxxv. "**Vesting**" means earning by the Option Grantee, of the right to Exercise the Options granted to him in pursuance of the Scheme.

xxxvi. "**Vesting Condition**" means any condition subject to which the Options granted would vest in an Option Grantee.

xxxvii. "**Vesting Period**" means the period during which the vesting of the Option granted to the Employee, in pursuance of the Scheme takes place.

2.2 **Interpretation**

In this Scheme, unless the contrary intention appears:

a) the clause headings are for ease of reference only and shall not be relevant to interpretation;

b) a reference to a clause number is a reference to its sub-clauses;

c) words in singular number include the plural and vice versa;

d) words importing a gender include any other gender; and

e) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.

f) for the purposes of any calculation under the Scheme any fraction will be rounded up or down to the nearest integer;

g) reference to any statute, rules, regulations, or notification shall include any amendment, modification, substitution or re-enactment thereof.

h) the terms defined above, including their grammatical variations and cognate expressions, shall, unless repugnant to the context or meaning thereof, for the purposes of the Scheme have the meanings herein specified and terms not defined above shall have the meanings as defined in the Companies Act or Applicable Law including SBEB & SE Regulations, as the context requires; and

i) Words / phrases and expressions used and not defined here but defined in the SBEB & SE Regulations, Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Companies Act, and any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislation, as the context requires.

3. Authority and Ceiling

3.1 The shareholders of the Company by way of special resolution dated **March 15, 2025** approved the Scheme authorizing the Compensation Committee to grant not exceeding **1,39,85,508 (One Crore Thirty-nine Lakhs Eighty-five Thousand Five Hundred and Eight Only)** Options to the eligible Employees in one or more tranches, from time to time, which in aggregate exercisable into not more than **1,39,85,508 (One Crore Thirty-nine Lakhs Eighty-five Thousand Five Hundred and Eight Only)** Shares of face value of **Rs. 2 (Two)** each 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 by the Compensation Committee in accordance with the provisions of this Scheme, SBEB & SE Regulations and in due compliance with other Applicable Law under the Scheme.

3.2 The maximum number of Options that may be granted per Employee and in aggregate shall vary depending upon the designation and the appraisal / assessment process, however, shall not exceed **45,00,000 (Forty-five Lakhs Only)** Options, as approved by the shareholders of the Company.

However, the Committee, pursuant to its resolution dated August 22, 2025, has resolved that the maximum number of Options that may be granted to any eligible Employee per grant shall not exceed **27,97,000 (Twenty-Seven Lakh Ninety-Seven Thousand)** Options.

Further, in case the number of Options per grant is equal to or exceeding 1% (one percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option, the Company shall ensure compliance with the provisions outlined in Sub-clause 3.3 of this Scheme and all other Applicable Laws.

3.3 Prior approval of shareholders of the Company in the general meeting by passing special resolution shall be obtained in case the Grant of Options to any identified Employee, in any one financial year, is equal to or exceeding 1% (one percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option.

3.4 If an Option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options pool as mentioned in Sub-clause 3.1 and shall become available for future Grants, subject to compliance with all Applicable Law.

3.5 Where Shares are issued consequent upon Exercise of an Option under the Scheme, the maximum number of Shares that can be issued under the Scheme as referred to in Clause 3.1 above shall stand reduced to the extent of such Shares issued.

3.6 In case of a Share split or consolidation, if the revised face value of the Share is less or more than the current face value as prevailing on the date of coming into force of this Scheme, the maximum number of Shares being granted under the Scheme as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (number of Shares X face value per Share) prior to such Share split or consolidation remains unchanged after such Share split or consolidation.

4. Administration

4.1 The Scheme shall be administered by the Compensation Committee. All questions of interpretation of the Scheme or any Option shall be determined by the Compensation Committee and such determination shall be final and binding upon all persons having an interest in the Scheme or in any Option issued thereunder.

4.2 The Compensation Committee shall in accordance with this Scheme and Applicable Law determine the following:

(a) The Eligibility Criteria for Grant of Options to the Employees;

(b) The quantum of the Option to be granted under the Scheme per Employee, subject to the ceiling as specified in Para 3.1, 3.2 and 3.3 of the Scheme;

(c) the specific Exercise Period within which the Employee should Exercise the Option and that Option would lapse on failure to Exercise the Option within the Exercise Period;

(d) the specified time period within which the Employee shall Exercise the Vested Option in the event of termination or resignation of an Employee;

(e) 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;

(f) the procedure for making a fair and reasonable adjustment to the number of Option 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 following shall be taken into consideration by the Compensation Committee:

(i) the number and the price of Option shall be adjusted in a manner such that total value of the Option remains the same after the corporate action; and

(ii) the Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Option Grantees.

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

(h) the conditions under which Option vested in Employees may lapse in case of termination of employment for Misconduct;

(i) Determine the procedure for buy-back of Options granted under the Scheme if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

i) permissible sources of financing for buy-back;
ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
iii) limits upon quantum of Options that the Company may buy-back in a financial year;

(j) Formulate suitable policies and procedures to ensure that there is no violation of Applicable Law, in relation to this Scheme, by the Company and the Employees;

(k) The procedure for funding for Exercise of Options, as permitted under the Applicable Law; and

(l) approve forms, writings and/or agreements for use in pursuance of the Scheme.

4.3 The Compensation Committee shall also frame suitable policies and systems to ensure that there is no violation of (a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) (b) 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 (c) 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, Subsidiary Company (ies) of the Company and any Employee.

4.4 The Compensation Committee shall have a right to delegate or authorize any officer of the Company, if required and subject to the extent allowed under the Applicable Law, such power to do specific acts and things without limitation to the listing of Shares on recognized Stock Exchange(s) arising pursuant to Exercise of Vested Options, execution and submission of various document(s) to recognized Stock Exchange(s) or any other institution as may be deemed necessary in connection with the Scheme.

5. Eligibility and Applicability

5.1 Only Employees are eligible for being granted Options under the Scheme. The specific Employees to whom the Options would be granted, and their Eligibility Criteria shall be determined by the Compensation Committee.

5.2 The Scheme shall be applicable to the Company, Subsidiary Company(ies) and any successor company thereof and Options may be granted to the Employees of the

Company or of the Subsidiary Company(ies) as determined by the Compensation Committee at its sole discretion.

5.3 The broad criteria for appraisal and selection may include parameters like tenure of association with the Company, performance during the previous years, contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, expected role for corporate growth, etc.

6. Grant and Acceptance of Grant

6.1 **Grant of Options**

(a) Grants contemplated under the Scheme shall be made on such day and month as decided by the Compensation Committee at its discretion upon recommendation of the Management of the Company.

(b) Each Grant of Option under the Scheme shall be made in writing by the Company to the eligible Employees fulfilling the Eligibility Criteria in a letter of Grant as may be approved containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Law.

(c) Upon acceptance of the Grant in the manner described above, the Employee henceforth as an Option Grantee, shall be bound by the terms, conditions and restrictions of the Scheme and the letter of Grant. The Option Grantee's acceptance of the Grant of Options under the Scheme, within the time period provided, shall constitute an agreement between the Option Grantee and the Company as to the terms of this Scheme and the letter of Grant. No amount would be required to be paid by the Option Grantee at the time of grant.

6.2 **Acceptance of the Grant**

Any eligible Employee who wishes to accept the Grant made under this Scheme 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.

6.3 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 Compensation Committee determines otherwise.

7. Vesting Schedule and Vesting Conditions

7.1 Option granted under the Scheme shall vest not earlier than minimum period of **1**

(one) year and not later than maximum period of **4 (Four)** years from the date of Grant.

Provided that in case where Options are granted by the Company under the Scheme in lieu of options held by a person under a similar scheme 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 in due compliance with the provisions of SBEB & SE Regulations.

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

7.2 The Options would vest essentially on the basis of continued tenure other than in case of retirement from the company or subsidiary company(ies) with the Company or Subsidiary Company(ies), as the case may be. Apart from this, the Compensation Committee shall prescribe achievement of performance condition(s), the criteria being a mix of corporate, business unit/segment, and/ or individual performance for Vesting as per the disclosure made in the explanatory statement to the special resolution approving this ESOS 2024. The relative weightage of performance conditions shall be determined by the Compensation Committee on each occasion of grant which may differ from Employee to Employee or classes thereof depending on the existing and expected role of the concerned Employees. The Compensation Committee shall assign mandatory performance conditions when Options are granted at a discount percentage equal to or more than 10% of the Market Price at the time of grant. The performance conditions attached to the vesting of Options shall be in minimum proportion to the percentage of discount at the Market Price offered at the time of grant.

Explanation: If the Options are granted at 25% discount to Market Price, then, minimum 25% of the Options should vest based on mandatory performance conditions.The Vesting dates, Vesting Schedule and Vesting Condition in respect of the Options granted under the Scheme shall be determined by the Compensation Committee and may vary from an employee to employee or any class thereof and / or in respect of the number or percentage of Options to be vested and would be outlined in the document given to the Option Grantee at the time of Grant of Options.

7.3 As a prerequisite for a valid Vesting, an Option Grantee is required to be in employment or service of the Company, 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 such date of Vesting. In case of any disciplinary proceedings against any Option Grantee, the relevant Vesting shall be kept in abeyance until disposal of the proceedings and such Vesting shall be determined accordingly.

7.4 **Vesting of Options in case of Employees on long leave**

The period of leave shall not be considered in determining the Vesting Period in the event the 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 Compensation Committee.

8. Exercise

8.1 **Exercise Price**

(a) The Exercise Price per Option shall be neither less than the face value of Shares of the Company nor higher than its prevailing Market Price as on the date of Grant. The Exercise Price shall be decided by the Committee as on date of Grant.

(b) The Exercise Price shall be specified in the letter issued to the Option Grantee at the time of the Grant.

(c) Payment of the Exercise Price shall be made by a crossed cheque, or a demand draft drawn in favor of the Company or in such other manner as the Company may decide from time to time.

8.2 **Exercise Period**

(a) Exercise while in employment:

The Exercise Period for vested Options shall be a maximum of **4 (Four)** years commencing from the relevant date of Vesting of Options, or such other shorter period as may be prescribed by the Compensation Committee at time of Grant. All the Vested Options can be exercised by the Option Grantee at one time or at various points of time within the Exercise Period.

(b) Exercise in case of separation from employment:

Subject to maximum Exercise Period stated above, the Vested Options can be exercised as under:

S. No.	Events of separation	Vested Options	Unvested Options

1	**Resignation/ Termination** **(Other than due to Misconduct)**	All the Vested Options as on the date of resignation/ termination shall be exercisable by the Option Grantee by his/her last working day.	All the Unvested Options as on date of submission of resignation/termination shall stand **cancelled** with effect from date such resignation/termination.
2	**Termination due to Misconduct**	All the Vested Options at the time of such termination shall stand **cancelled** with effect from the date of such termination.	All the Unvested Options at the time of such termination shall stand **cancelled** with effect from the date of such termination.
S. No.	**Events of separation**	**Vested Options**	**Unvested Options**
3	**Retirement**	Subject to maximum Exercise Period, all the Vested Options as on the date of Retirement shall be exercisable by the Option Grantee within a period of **12 (Twelve) months** from the date of Retirement.	All Unvested Options as on the date of Retirement would continue to vest in accordance with the **original vesting schedules** even after the Retirement unless otherwise determined by the Compensation Committee in accordance with the Company's Policies, if any, and provisions of the then prevailing Applicable Law. Such aforesaid Vested Options can be exercised within a period of **12 (Twelve) months** from the date of Retirement or Vesting, whichever is later.

4	**Death**	All Vested Options may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than **12 (Twelve) months** from the date of death of the Option Grantee.	All the Unvested Options as on date of death shall **vest immediately** in the Option Grantee's nominee or legal heir and can be exercised in the manner defined for Vested Options.
5	**Permanent Incapacity**	All Vested Options may be exercised by the Option Grantee, immediately after, but in no event later than **12 (Twelve) months** from the date of such incapacity.	All the Unvested Options as on date of incurring of such incapacity shall **vest immediately** with effect from such event to the Option Grantee and can be exercised in the same

S. No.	Events of separation	Vested Options	Unvested Options
			manner as defined for Vested Options.
6	**Termination due to reasons apart from those mentioned above**	The Compensation Committee **shall decide** whether the Vested Options as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All Unvested Options on the date of such termination shall stand **cancelled** unless otherwise required by Applicable Law.

8.3 **Exercise in case of transfer of employment/ service**

In the event of transfer of an Option Grantee from the Company to any Subsidiary Company(ies), the Vested Options as on the date of transfer, shall be capable of being exercised as if the employment/ service of the Option Grantee is being continued and in case of Unvested Options, such Options shall continue to vest as per the original schedule and be exercised accordingly, subject to the compliance of the Applicable Law.

8.4 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 Compensation 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.

8.5 The Options not exercised within the Exercise Period shall lapse and the Employee shall have no right over such lapsed or cancelled Options.

8.6 **Lapse of Options**

The Options not exercised within the respective Exercise Period prescribed in Sub-clauses of Clause 8 shall lapse and be deemed to be cancelled on expiry of such Exercise Period. The Option Grantee shall have no right or recourse over such lapsed/ cancelled Options.

9. Lock-in

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

Provided that the Shares allotted on such Exercise cannot be sold for such further period or intermittently as required under the terms of Code of Conduct for

Prevention of Insider Trading of the Company framed under Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

10. Exit route in case of de-listing

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

11. Restriction on transfer of Options

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

11.2 Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case provisions at sub-clause 8.2(b) would apply.

11.3 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 of the Option Grantee holder, in which case provisions at sub- clause 8.2(b) would apply.

12. Rights as a shareholder

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

12.2 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Company (for example, bonus shares, rights shares, dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Option Grantee exercises the Option and becomes a registered holder of the Shares of the Company.

12.3 In case of any corporate action (for example, bonus issue, right issue, share split, buyback, merger, sale of divisions, etc.) the Option Grantee shall not be eligible for any right or status of any kind as a shareholder of the Company. However, the necessary adjustments to the number of Options or the Exercise Price or both would be made in accordance with sub-clause 4.2(f) of the Scheme.

13. Deduction/Recovery of Tax

13.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this Scheme and the Shares issued pursuant to Exercise thereof shall be entirely on Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder and/or Income Tax Laws of respective countries as applicable to eligible Employees of Company working abroad, if any.

13.2 The Company shall have the right to deduct from the Employee's salary or recover any tax that is required to be deducted or recovered under the Applicable Law. In case of non–continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.

13.3 The Company shall have no obligation to deliver Shares until the Company's tax deduction obligations, if any, have been satisfied by the Option Grantee in full.

14. Authority to vary terms

14.1 For the purpose of efficient implementation and administration of the Scheme but subject to the Applicable Law and approval of the shareholders of the Company by way of a special resolution, Compensation Committee may revise any of the terms and conditions in respect of existing or any new grant of Options provided that the variation is not prejudicial to the interest of the Employees.

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

14.2 The Company may also re-price the Options which are not exercised, whether or not they have vested, if Scheme is rendered unattractive due to fall in the value of the Shares, provided that the Company ensures that such re-pricing shall not be detrimental to the interest of the Option Grantee and approval of the shareholders by way of a special resolution has been obtained for such re-pricing.

15. Miscellaneous

15.1 Government Regulations

This Scheme shall be subject to all Applicable Law, and approvals from government authorities. The Grant and the allotment of Shares under this Scheme shall also be subject to the Company requiring Employees to comply with all Applicable Law.

15.2 Inability to obtain authority

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

15.3 Neither the existence of this Scheme 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 Scheme by being granted an Option on any other occasion.

15.4 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).

15.5 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.

15.6 General Risks

Participation in the Scheme 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.

16. Malus

16.1 Notwithstanding anything contained elsewhere in this Scheme, the Company reserves the right to execute malus arrangements in respect of Options already granted. Options granted under the Scheme are always subject to malus as may be exercised by the Company in circumstances as determined by the Committee.

16.2 A malus arrangement permits the Company to prevent Vesting of all or part of the Option granted to an Option Grantee. However, the malus arrangement shall not reverse the Vesting of already Vested Options.

17. Accounting and Disclosures

The Company shall follow the requirements including the disclosure requirements and 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 or any other appropriate authority, from time to time, including any guidance note on accounting for employee share-based payments issued in that regard from time to time and the disclosure requirements prescribed therein, in compliance with relevant provisions of Regulation 15 of SBEB & SE Regulations.

18. Certificate from Secretarial Auditors

The Compensation Committee shall at each annual general meeting place before the shareholders a certificate from the Secretarial Auditors of the Company that the Scheme has been implemented in accordance with the SBEB & SE Regulations and in accordance with the resolution of the Company in the general meeting.

19. Governing Laws

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

19.2 Foreign Exchange Laws

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

20. Notices

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

i. Sending communication(s) to the address of the Option Grantee available in the records of the Company; and/ or

ii. 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 at the email address provided by the Option Grantee after cessation of employment.

20.2 All notices of communication to be given by an Option Grantee to the Company in respect of the scheme shall be sent to the address mentioned below:

To
Company Secretary,
Address: Allied Blenders and Distillers Limited, 394-C Lamington Chambers Lamington Road, Mumbai, Maharashtra, India – 400004.
E-mail: complianceofficer@abdindia.com

21. Nomination

The Employee has to nominate a person as his/her nominee. The nominee in case of death or legal incapacity of Employee shall be the legal representative recognized by the Company as the inheritor of the Employee in respect of all rights and liabilities for the purposes of this Scheme.

22. Jurisdiction

22.1 The Courts in Mumbai, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this Scheme.

22.2 Nothing in this Sub-clause will however limit the right of the Company to bring proceedings against any Employee in connection with this Scheme:

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

23. Listing of the Shares

23.1 The Company shall not Grant Options under the Scheme unless it obtains in-principle approval from the Stock Exchange where it is listed.

23.2 The Company shall appoint a Merchant Banker for the implementation of the Scheme and for the purpose of obtaining in-principle approval from the Stock Exchange, where it is listed.

23.3 Subject to the approval of the Stock Exchange(s), the Shares issued and allotted on Exercise of the Options shall be listed on the recognized Stock Exchange(s) on which the Shares of the Company are listed.

24. Severability

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

25. Confidentiality

25.1 An Option Grantee must keep the details of the Scheme 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 Option Grantee. In case of non-adherence to the provisions of this clause, the Compensation Committee shall have the authority to deal with such cases as it may deem fit.

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

---------------End of Scheme-------------