RIR POWER ELECTRONICS LIMITED



RIR Power Electronics Limited
Employees Stock Ownership Plan - 2025
(“ESOP 2025”/ “Plan”)

RIR Power Electronics Limited

CIN: L31109MH1969PLC014322

Regd. Office: 139/141, Solaris 1, B Wing, Saki Vihar Road, Opp L&T Gate No. 6, Powai, Andheri (East), Mumbai – 400072 Maharashtra,

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1. Name, Objective and Term of the Plan

1.1 This Employee Stock Option Plan shall be called **'RIR Power Electronics Limited Employees Stock Ownership Plan - 2025' ("ESOP 2025" / "Plan").**

1.2 The primary objective of the ESOP 2025 is to offer a wealth creation opportunity to the Employees of the Company while also aligning the interests of Employees with the long-term goals of the Company. This ESOP 2025 is intended to achieve the following:

a) to enable the Company to attract and retain talented human resources by offering them the opportunity to acquire a continuing equity interest in the Company which will reflect their efforts in building the growth and the profitability of the Company.

b) to provide Employees an opportunity for investment in the Company's equity in recognition of their efforts to grow and build the Company.

c) for rewarding Employees on predetermined performance criteria and continued employment with the Company.

1.3 The ESOP 2025 has been formulated in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The ESOP 2025 is established with effect from 15th January, 2026, on which date the shareholders of the Company have approved ESOP 2025 by way of a special resolution and shall continue to be in force and effect until the earlier of the following:

(i) the date on which it is terminated by the Board in accordance with the provisions of the Applicable Law.

Provided that while exercising this authority, the Board shall pass a formal resolution specifying the reason(s) for termination and confirming adherence to all legal and regulatory requirements. The Board shall also ensure that appropriate communication is issued to all Option Grantees, clearly outlining the termination details, treatment of Vested Options and Unvested Options, and relevant timelines. The Board shall conduct the entire process in a fair, transparent, and compliant manner, ensuring that the rights and benefits of all Option Grantees under ESOP 2025 are safeguarded; or

(ii) the date on which all of the Options available for Grant under the ESOP 2025 have been Granted and Exercised.

Provided that any such termination of the ESOP 2025 shall not affect the Options already Granted, and such Options shall remain in full force and effect as if the ESOP 2025 had not been terminated unless mutually agreed otherwise between the Option Grantee and the Company or the Committee.

2. Definitions and Interpretation

2.1 Definitions

i. "**Applicable Law**" means every law relating to employee stock options by whatever name called, including but without limitation to the Companies Act, Securities and Exchange Board of India Act 1992, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**ICDR Regulations**"), the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**"), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB Regulations**"), as amended and enacted from time to time, read with all circulars and notifications issued thereunder and all relevant tax, securities, exchange control or corporate laws of India or of any relevant jurisdiction or of any Stock Exchange on which the Shares are listed or quoted.

ii. **"Associate Company"** means any present or future associate company(ies) of the Company, as defined under the provisions of the Companies Act.

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

iv. "**Committee**" means the existing Nomination and Remuneration Committee constituted by the Board under Regulation 19 of the LODR Regulations, as amended from time to time, which has been delegated the administration and supervision of ESOP 2025 and having such powers as specified under the SEBI SBEB Regulations read with powers specified in this ESOP 2025.

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

vi. "**Company**" means **"RIR Power Electronics Limited"**, a company registered in India under the provisions of the Companies Act, 1956, having CIN: L31109MH1969PLC014322 and having its registered office at 139/141 Solaris 1 B Wing, Saki Vihar Road, Opp L&T Gate No. 6, Powai, Andheri (East), Mumbai, Maharashtra, 400072.

vii. "**Company Policies/Terms of Employment**" means the Company's policies in place from time to time for its Employees and the Terms of Employment as contained in the employment letter and the Company policy.

Explanation: for the purpose of this definition, the term 'Company' includes its Subsidiary Company or Associate Company to the extent the Employees of the Subsidiary Company or Associate Company are covered under ESOP 2025.

viii. "**Director**" means a member of the Board of the Company.

ix. "**Eligibility Criteria**" means the criteria as may be determined from time to time by the Committee for Granting the Options to the Employees.

x. "**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;

(iii) an employee as defined in sub-clauses (i) and (ii) above, of Subsidiary Company(ies) or Associate Company(ies), in India or outside India,

but excludes-

a. an employee who is a Promoter or a person belonging to the Promoter Group; or

b. a Director who, either by himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding Shares of the Company; or

c. an Independent Director.

xi. "**Employee Stock Option**" or "**Options**" means an option given to an Employee which gives such Employee the right, but not an obligation, to acquire at a future date the Shares underlying the Options at a pre-determined price, subject to the terms of this Plan.

xii. **"ESOP 2025"** or **"Plan"** means 'RIR Power Electronics Limited Employee Stock Option Plan 2025' under which the Company is authorized to Grant Options to the Employees.

xiii. "**Exercise**" of an Option means expression of an intention by an Employee to the Company to acquire the Shares underlying the Options Vested in him, in pursuance of the ESOP 2025, in accordance with the procedure laid down by the Company for Exercise of Options.

xiv. "**Exercise Period**" means such time period after Vesting within which the Employee can Exercise the Options Vested in him in pursuance of the ESOP 2025.

xv. "**Exercise Price**" means the price payable by an Employee in order to Exercise the Options Granted to him in pursuance of the ESOP 2025.

xvi. "**Grant**" means issue of Options to the Employees under the ESOP 2025.

xvii. "**Grant Date**" means the date of the meeting of the Committee in which Grant of Options to the Employees are approved, or any such date which may be determined by the Committee as the Grant date.

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

xviii. "**Independent Director**" means a Director within the meaning of Section 149(6) of the Companies Act, read with Regulation 16(1)(b) of the LODR Regulations, as amended from time to time.

xix. "**Market Price**" means the latest available closing price on the date immediately prior to the Relevant Date on the recognised Stock Exchange on which the Shares of the Company are listed.

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

xx. "**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.

xxi. **"Misconduct"** means and includes any of the following acts or omissions by an Employee in addition to any provisions prescribed in the offer of employment or Terms of Employment amounting to violation or breach of Terms of Employment as determined by the Committee after giving the Employee an opportunity of being heard:

(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, determined after following the principles of natural justice; or
(vii) any other terms and conditions as notified by the Committee from time to time.

xxii. "**Option Grantee**" means an Employee who has been Granted an Option and has accepted such Grant as required under the ESOP 2025 and shall deem to include nominee/ legal heir of an option grantee in case of his death to the extent provisions of the ESOP 2025 are applicable to such nominee/ legal heir.

xxiii. "**Permanent Incapacity**" means disability of a nature which in the determination of the Committee (taking into consideration, *inter alia*, certificate of a medical expert identified by the Committee) incapacitates or prevents or handicaps an Employee from performing specific job, work or task. The decision of the Committee whether or not a disability constitutes as Permanent Incapacity shall be final, conclusive, and binding on all concerned parties.

xxiv. "**Promoter**" shall have the same meaning assigned to it under the ICDR Regulations, as amended from time to time.

xxv. "**Promoter Group**" shall have the same meaning assigned to it under the ICDR Regulations, as amended from time to time.

xxvi. "**Relevant Date**" means:
(i) in the case of Grant, the date of the meeting of the Committee on which the Grant is made; or
(ii) in the case of Exercise, the date on which the notice of Exercise is given to the Company by the Option Grantee.

xxvii. "**Retirement**" means retirement or superannuation of an Employee as per the prevalent rules and policies of the Company.

xxviii. "**SEBI SBEB 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 the 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 LODR Regulations.

xxx. "**Shares**" means equity shares of the Company of face value of Rs. 2/- (Rupees Two Only) each, fully paid-up, including the equity shares arising out of the Exercise of Options Granted under the ESOP 2025.

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

xxxii. "**Subsidiary Company**" means any present or future subsidiary company(ies) of the Company, as defined under 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**" or **"Vest"** means earning by the Option Grantee, of the right to Exercise the Options Granted to him in pursuance of the ESOP 2025.

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 ESOP 2025 takes place.

2.2 **Interpretation**

In this ESOP 2025, 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;

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

f) 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 ESOP 2025 have the meanings herein specified and terms not defined above shall have the meanings as defined in the Companies Act or Applicable Law, including SEBI SBEB Regulations, as the context requires; and

g) words / phrases and expressions used and not defined here but defined in the SEBI SBEB Regulations, Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 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.

h) in case of a conflict between the terms of ESOP 2025 and the respective employment agreement for each Employee, the terms of this Plan shall prevail with respect to the Options Granted.

3. Authority and Ceiling

3.1 The shareholders of the Company, while approving this ESOP 2025 by way of special resolution dated 15th January, 2026, have authorized the Committee to Grant not exceeding **39,78,620 (Thirty-Nine Lakhs Seventy-Eight Thousand Six Hundred and Twenty only)** Options to the eligible Employees in one or more tranches, from time to time, which in aggregate exercisable into not more than exceeding **39,78,620 (Thirty-Nine Lakhs Seventy-Eight Thousand Six Hundred and Twenty only)** Shares of face value of Rs. 2/- (Rupees Two Only) each, fully paid up, with each such Option conferring a right upon the Option Grantee to apply for one Share of the Company in accordance with the terms and conditions as may be decided by the Committee in accordance with the provisions of this ESOP 2025 and in due compliance with Applicable Law.

3.2 The number of Options that may be Granted under the ESOP 2025 per Employee and in aggregate (taking into account all Grants) for such Employee, shall not exceed **7,50,000 [Seven Lakhs Fifty Thousand]** Options.

3.3 If an Option expires, lapses, cancelled 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 the Applicable Law.

3.4 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, during any one 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 Options.

The maximum quantum of benefits contemplated under the Plan are in terms of the maximum number of Options that may be granted to an eligible Employee as specified in sub-clause 3.2 of the Plan.

3.5 Where Shares are issued consequent upon Exercise of Options under the ESOP 2025, the maximum number of Shares that can be issued under the ESOP 2025 as referred to in sub-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 ESOP 2025, the maximum number of Shares being issued under the ESOP 2025 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.

3.7 The approval of shareholders by way of separate resolution shall be obtained by the Company in case the Grant of Option to Eligible Employees of the subsidiary company(ies) or associate company(ies).

4. Administration

4.1 The ESOP 2025 shall be administered by the Committee. All questions of interpretation of the ESOP 2025 or any Option shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the ESOP 2025 or in any Option issued thereunder. The Committee may correct any defect, omission or reconcile any inconsistency in this Plan in the manner and to the extent the Committee deems necessary or desirable.

4.2 Neither the Committee nor any of its members shall be liable for any actions taken in good faith for the implementation of ESOP 2025.

4.3 The Committee may rely upon the advice and assistance of any professional it deems appropriate in the implementation of ESOP 2025.

4.4 The Committee, inter- alia, shall in accordance with this ESOP 2025 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 ESOP 2025 per Employee, subject to the ceiling as specified in sub-clause 3.1 and 3.2;

(c) terms and conditions in respect of Grant to, Vesting in, and Exercise of Options by the Employees, which may be different for different Employees or classes thereof falling into the same tranche of Grant of Options under the ESOP 2025;

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

(e) 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 the following shall be taken into consideration by the Committee:

(i) the number and the Exercise 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.

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

(g) the conditions under which Option Vested in Option Grantee may lapse in case of termination of employment for Misconduct;

(h) the procedure for buy-back of Options Granted under the ESOP 2025, 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;

(i) formulate suitable policies and procedures to ensure that there is no violation of Applicable Law in relation to this ESOP 2025 by the Company and the Employees;

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

(k) approve forms, writings and/or agreements to be used in pursuance of the ESOP 2025.

(l) to deal with all incidental and related matters in connection with the items (a) to (k) above and otherwise to ensure compliance with the requirements of Applicable Law.

4.5 The Company has framed and adopted 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 and any of its Employee.

4.6 The 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 for 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 ESOP 2025.

5. Eligibility and Applicability

5.1 Only Employees within the meaning of ESOP 2025 are eligible for being Granted Options. The specific Employees to whom the Options would be Granted, and their Eligibility Criteria shall be determined by the Committee taking into consideration the recommendation of the management from time to time.

5.2 ESOP 2025 shall be applicable to the Company (including any successor company thereof), its Subsidiary Company(ies), its Associate Company(ies), and Options may be Granted to the Employees of the Company, Subsidiary Company(ies) or Associate Company(ies), as determined by the Committee at its sole discretion.

5.3 The appraisal process for determining eligibility of the Employees for Grant of Options shall be decided from time to time by the Committee. The broad criteria for review and

selection may include parameters like designation, tenure with the Company, its Subsidiary Company or Associate Company, annual performance appraisal, future potential, and contribution or impact towards strategic growth, geographical location and such other factors that the Committee may deem relevant. However, for new joiners, the broad criteria for selection shall be basis prior work experience, applicable skills, designated job role or such other factors as determined by the Committee.

6. Grant and acceptance of Grant

6.1 Grant of Options

(a) Grants contemplated under the ESOP 2025 shall be made on such day and month as decided by the Committee at its discretion taking into consideration the recommendation of the management of the Company.

(b) Each Grant of Option under the ESOP 2025 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) Subject to the overall limit prescribed in Clause 3.1 above, the Options may be granted in one or more tranches, till the validity of this Plan.

6.2 Acceptance of the Grant

(a) Any Employee who wishes to accept the Grant made under the ESOP 2025 must deliver to the Company a duly signed acceptance of the letter of Grant on or before a date specified in the letter of Grant ("**Closing Date**"), which shall not be more than 30 days from the date of the Grant.

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

(c) Upon acceptance of the Grant in the manner described above, the Employee as an Option Grantee, shall be bound by the terms, conditions and restrictions of the ESOP 2025 and the letter of Grant. No amount would be required to be paid by the Option Grantee either at the time of Grant or at the time of Vesting.

7. Vesting Schedule and Vesting Conditions

7.1 The Option Granted under the ESOP 2025 would Vest not earlier than the minimum Vesting Period of 1 (One) year and not later than maximum Vesting Period of 4 (Four)

years from the date of Grant. The Committee, subject to minimum and maximum ceiling of Vesting Period, shall have the power to prescribe the vesting schedule for a particular Grant.

Provided that in case where Options are Granted by the Company under the ESOP 2025 in lieu of Options held by a person under a similar plan in another company ("**Transferor Company**") which has merged or amalgamated with the Company, the period during which the Options Granted by the Transferor Company were held by him may be adjusted against the minimum Vesting Period required under this sub-clause in due compliance with the provisions of SEBI SBEB Regulations.

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

7.2 The Vesting of Options shall be contingent upon the Employee's continued employment/ service with the Company. In addition, the Committee, in its sole discretion, may impose specific performance criteria, the satisfaction of which shall be required for the Options to Vest. The Committee shall have the authority to determine the performance parameters applicable to an Employee or a class of Employees, based on their respective roles, and to assign relative weightages to each parameter as it deems appropriate.

7.3 As a pre-requisite for a valid Vesting, an Option Grantee is required to be in employment or service of the Company, its Subsidiary Company or its Associate Company, as the case may be, 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 In the event that an Employee, who has been granted Options under the ESOP 2025, is transferred or deputed or seconded to/ from Subsidiary Company or Associate Company, prior to Vesting, the original Vesting Period as defined under the respective letter of Grant shall continue in the case of such transferred, deputed, or seconded employee even after the transfer, deputation, or secondment.

7.5 The specific vesting schedule, and Vesting Condition, if any, in respect of the Options Granted under the ESOP 2025 shall be determined by the Committee and may vary from 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.

7.6 **Vesting of Options in case of Option Grantee on long leave**

The period of leave shall not be considered in determining the Vesting Period in the event the Option Grantee is on a sabbatical, as defined in the Company Policies/Terms of Employment. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Committee.

8. Exercise

8.1 **Exercise Price**

(a) The Exercise Price of the Options granted shall be as determined by the Committee as on the date of grant of option and the same shall be stated in the grant letter issued to the Option Grantee at the time of the Grant.

(b) The Exercise Price shall not be lower than the face value of the Share as on date of Grant of such Option and shall not more than market price per share of the Company. The Company while determining the Exercise Price shall confirm to the accounting policies.

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

8.2 **Exercise Period**

(a) Exercise while in employment

The Exercise Period for Vested Options may 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 Committee at the 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

Options can be Exercised as per provisions outlined below:

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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 submission of resignation or termination shall be exercisable by the Option Grantee on or before the end of the Exercise Period, or before his **last working day** with the Company, whichever is earlier.	All the Unvested Options as on date of submission of resignation/termination shall stand **cancelled** with effect from the date of submission of 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 and shall be deemed to have been lapsed.	All the Unvested Options as on the date of such termination shall stand **cancelled** with effect from the date of such termination and shall be deemed to have been lapsed.
3	**Retirement**	All the Vested Options as on date of Retirement shall be exercisable within **12 (Twelve)** months from the date of Retirement or within the Exercise Period, whichever is earlier.	All Unvested Options as on the date of Retirement would continue to Vest in accordance with the **original Vesting schedule** provided in the letter of Grant, even after the Retirement unless otherwise determined by the Committee in accordance with the Company's Policies, if any, and provisions of the then prevailing Applicable Law. Such aforesaid Vested Options, if any, can be exercised within a period of **12 (Twelve)** months from the date of such Vesting.

S. No.	Events of separation	Vested Options	Unvested Options
4	**Death**	All Vested Options may be Exercised by the nominee as declared by the Option Grantee or his legal heir within **12 (Twelve)** months from the date of death of the Option Grantee or within the Exercise Period, whichever is earlier.	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 within **12 (Twelve)** months from the date of the Permanent Incapacity or within the Exercise Period, whichever is earlier.	All the Unvested Options as on date of incurring of such incapacity shall **Vest immediately** and can be Exercised in the same manner as defined for Vested Options.
6	**Transfer / deputation / secondment from/ to Subsidiary Company or Associate Company**	Exercise Period shall remain the same as per the terms of the Grant. In case of subsequent separation, treatment of Vested Options shall be as per applicable circumstance mentioned in this table.	Vesting schedule and Exercise Period shall remain same as per the terms of the Grant. In case of subsequent separation, treatment of Unvested Options shall be as per applicable circumstance mentioned in this table.
7	**Separation due to reasons apart from those mentioned above**	The Committee **shall decide** whether the Vested Options as on that date can be Exercised by the Option Grantee or not, and such a decision shall be final.	All Unvested Options on the date of such separation shall stand **cancelled** unless otherwise required by Applicable Law.

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

Upon receiving such notice of Exercise and the corresponding consideration, the Board shall take the necessary steps to issue the Shares accordingly.

8.4 In the event of the death of an eligible Employee who has not nominated any person(s), the Options Granted shall be exercisable by the legal heir(s) or successor(s) of the deceased Employee within such time and in such manner as stipulated in sub-clause 8.2. Provided, however, that the legal heir(s) or successor(s) shall be required to submit to the Committee all such documents, declarations, and/or indemnities as may be reasonably required by the Company to establish their claim as legal heir(s) or successor(s) of the deceased Employee's estate.

8.5 **Lapse of Options**

The Options not Exercised within the Exercise Period shall lapse and be cancelled on expiry of such Exercise Period. The Option Grantee shall have no right or recourse over such lapsed/ cancelled Options. Further, the amount so paid by the Employee, if any, in relation to the grant of Options shall not be forfeited by the Company if the Vested Options are not exercised by the Employee within the exercise period, unless otherwise decided by the Committee in case of termination of employment of the Employee; and shall be refunded to the employee in such time & manner as decided by the Committee in accordance with the applicable laws & regulations.

9. Lock-in

The Shares arising out of Exercise of Vested Options shall not be subject to any lock-in from the date of allotment of such Shares under the ESOP 2025.

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 Exchanges, then the Committee as authorized by the Board shall have the power to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance with the Applicable Law.

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

11.3 No person other than the Option Grantee shall be entitled to Exercise the Option except in the event of the death/ Permanent Incapacity of the Option Grantee, in which case provisions at sub- clause 8.2(b) would apply.

12. Rights as a shareholder

12.1 The Option Grantee 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 Options.

12.2 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as that of a shareholder of the Company (for example, to bonus shares, rights shares, dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Option Grantee Exercises the Options 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, etc.) the Option Grantee shall not be eligible for any right or status of any kind as that of 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 4.4(e) of the ESOP 2025.

13. Deduction/recovery of tax

13.1 The liability of paying taxes, if any, in respect of Options Granted pursuant to this ESOP 2025 and the Shares issued pursuant to Exercise thereof shall be entirely on Option Grantee (or his nominee(s)/ legal heir(s)/ successor(s), as the case may be) 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, its Subsidiary Company or its Associate Company, as the case may be, working abroad, if any.

13.2 The Company shall have the right to deduct from the Option Grantee's (or his nominee(s)/ legal heir(s)/ successor(s), as the case may be) salary or recover separately,

any of the Option Grantee's tax obligations arising in connection with the Options upon the Exercise thereof. 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 (or his nominee(s)/ legal heir(s)/ successor(s), as the case may be) in full.

14. Authority to vary terms

14.1 For the purpose of efficient implementation and administration of the ESOP 2025 and with the prior approval of the shareholders' of the Company by way of a special resolution, the Committee may revise the terms of the ESOP 2025 and/ or terms of the Options already Granted but not yet Exercised under the ESOP 2025 subject to the condition that such amendment, alteration, or variation, as the case may be is not detrimental to the interest of Option Grantee.

Provided that the Company shall be entitled to vary the terms of the ESOP 2025 to meet any regulatory requirement without seeking shareholders' approval by way of a special resolution.

14.2 The Committee may also re-price the Options which are not Exercised, whether or not they have Vested, if ESOP 2025 is rendered unattractive due to fall in the price 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 ESOP 2025 shall be subject to all Applicable Law, including any statutory modification(s) or re-enactment(s) thereof, and approvals from government authorities. The Grant and the allotment of Shares under this ESOP 2025 shall also be subject to the Company requiring Option Grantee to comply with all Applicable Law.

15.2 Inability to obtain approval

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

15.3 Neither the existence of this ESOP 2025 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 ESOP 2025 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, Subsidiary Company or Associate 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 Participation in the ESOP 2025 shall not be construed as any guarantee of return on the equity investment. Any loss due to fluctuations in the price of the equity Shares and the risks associated with the investments is that of the Option Grantee.

16. Accounting and Disclosures

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

17. Certificate from Secretarial Auditors

The Board shall at each annual general meeting place before the shareholders, a certificate from the Secretarial Auditors of the Company that the ESOP 2025 has been implemented in accordance with the SEBI SBEB Regulations and in accordance with the shareholders' resolution approving ESOP 2025.

18. Governing Laws

18.1 The terms and conditions of the ESOP 2025 shall be governed by and construed in accordance with the Applicable Law, including the foreign exchange laws mentioned below.

18.2 **Foreign exchange laws**

In case any Options are Granted to any Employee resident 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 also 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.

19. Notices

19.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOP 2025 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, to the Company during the continuance of employment, or at the email address provided by the Option Grantee after cessation of employment.

19.2 All notices of communication to be given by an Option Grantee to the Company in respect of the ESOP 2025 shall be sent to the address mentioned below:

Designation: Company Secretary

Address: 139/141 Solaris 1 B Wing, Saki Vihar Road, Opp L&T Gate No. 6, Powai, Andheri (East), Mumbai, Maharashtra-400072

E-mail: secretarial@rirpowersemi.com

20. Nomination

To enable the Employees to nominate persons in respect of the Options, specific nomination forms (physical/electronic) shall be made available to the Employees from time to time. The nominee(s) in case of death of Option Grantee shall be the legal representative recognized by the Company as the inheritor of the Option Grantee in respect of all rights and liabilities for the purposes of this ESOP 2025.

21. Jurisdiction

21.1 The Courts in Mumbai, Maharashtra shall have jurisdiction in respect of any or all matters, disputes or differences arising in relation to or out of this ESOP 2025.

21.2 Nothing in this sub-clause will however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP 2025:

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

22. Listing of the Shares

22.1 The Company shall not Grant Options under the ESOP 2025 unless it obtains in-principle approval from the Stock Exchange where it is listed.

22.2 The Company shall appoint a Merchant Banker for the implementation of the ESOP 2025 and for the purpose of obtaining in-principle approval from the Stock Exchange(s), where it is listed.

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

23. New Share Incentive Plan

Nothing contained in the Plan shall be construed to prevent the Company and the Committee from implementing another Share Based Plan, which is deemed by the Company to be appropriate or in its best interest, provided such other action would not have any adverse impact on the Plan or any grant made under the Plan. No Grantee shall have any claim against the Company as a result of such action.

24. Severability

In the event any one or more of the provisions contained in this ESOP 2025 shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this ESOP 2025, but the ESOP 2025 shall be construed as if such invalid, illegal, or unenforceable provision had never been set forth herein, and the ESOP 2025 shall be carried out as nearly as possible according to its original intent and terms.

25. Confidentiality & non-disclosure

25.1 An Option Grantee must keep the details of ESOP 2025 and all other documents in connection thereto strictly confidential and must not disclose the details, wholly or partly, with any of his peers, 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 un-Exercised 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 the event of non-adherence to the provisions of this clause read with the confidentiality & non-disclosure clause as stated in the Terms of Employment, the 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 ESOP 2025 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 Plan----------