
[EMPLOYEE STOCK OPTION PLAN]

(ECO HOTELS AND RESORTS LIMITED)

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ECO HOTELS INDIA PRIVATE LIMITED

DRAFT EMPLOYEE STOCK OPTION PLAN

This Plan (defined hereunder) has been formulated and adopted by the Board (defined hereunder) of Eco Hotels India Private Limited ("**Company**") and approved by it at its meeting held on 10th February 2024, subject to the authority vested in it by, and approval of, the shareholders by way of a special resolution approved on 11th March 2024 in its meeting.

1. NAME AND OBJECTIVE OF THE PLAN

- 1.1 This Plan shall be called the "Employee Stock Option Plan – 2023 Modified ("**Plan**")" which expression shall include any alterations, amendments or modifications to it from time to time.
- 1.2 In today's competitive world, the employees of a company are its most important resource and asset. The Company fully recognizes the same and therefore wants its Employees (defined hereunder) to participate and share the fruits of growth and prosperity of the Company.
- 1.3 The objectives of the Plan are:
 - 1.3.1 create a sense of ownership and participation amongst the Employees;
 - 1.3.2 motivate the Employees with incentives and reward opportunities;
 - 1.3.3 drive entrepreneurship mindset of value creation for the organization;
 - 1.3.4 provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company; and
 - 1.3.5 achieve sustained growth of the Company and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company.

2. DEFINITIONS AND INTERPRETATION

The terms defined in this Plan shall have the meanings specified herein. Terms not defined shall have the meanings as defined in the Companies Act, 2013:

- 2.1 **Applicable Law** shall mean laws of India including rules, regulations and guidelines to the extent applicable to the Company and this Plan, as amended and modified from time to time. Accordingly, any action taken under the Plan shall be governed by and construed in accordance with the laws of India, without regard to the application of the conflict of laws' provisions under the Applicable Law;
- 2.2 **Board of Directors / Board** means the Company's Board of Directors;
- 2.3 **Business Day** means any day other than a Saturday, a Sunday or any day on which banks in the city where the Company's registered office is situated, is permitted to be closed;
- 2.4 **Cause** has the same meaning ascribed to such term in any written agreement between the Option Holder and the Company defining such term, and in the absence of such agreement, such term means, with respect to an Option Holder, the occurrence of any of the following

events: (i) being convicted of an offence of a criminal nature or involving moral turpitude or that disentitles the Option Holder from being associated with the Company as an Employee or otherwise in accordance with the Company's policies and/or Applicable Law; or (ii) commission of fraud, misappropriation or embezzlement of funds of the Company by the Option Holder; (iii) wilful dishonesty, gross misconduct by the Option Holder; (iv) abandonment of services by the Option Holder; (v) termination of employment of the Option Holder by the Company for reasons relating to performance of such Option Holder or otherwise and such determination by the Board and/or the Company (as the case may be) being final and binding; and/or (vi) any other action(s) of the Option Holder that, in view of the Board and/or the Company (as the case may be) is disruptive or detrimental to the functioning and / or reputation of the Company;

- 2.5 **Closing Date** shall have the same meaning assigned to it as in Clause 4.2;
- 2.6 **Company** means Eco Hotels and Resorts Limited, a company incorporated in India under the provisions of the Companies Act 2013 and having its registered office at 19, Floor-3rd, 408, Prabhadevi Industrial Estate, Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025. It also includes all subsidiaries of Eco Hotels and Resorts Limited;
- 2.7 **Corporate Action** means one of the following events:
- 2.7.1 rights / bonus issue;
 - 2.7.2 reorganisation of the Shares;
 - 2.7.3 restructuring of the share capital of the Company;
 - 2.7.4 Other reorganization of the Company in which the Shares are converted into or exchanged for:
 - (a) a different class of securities of the Company, or
 - (b) any securities of any other issuer, or
 - (c) cash, or
 - (d) other property;
 - 2.7.5 Sale, lease or exchange of all or substantially whole of the assets/undertaking of the Company to any other company or entity;
 - 2.7.6 Bankruptcy proceedings against the Company;
 - 2.7.7 Adoption by the shareholders of the Company of a scheme of liquidation, dissolution or winding up;
 - 2.7.8 Adoption by the shareholders of the Company of a scheme of merger or demerger of the Company;
 - 2.7.9 Public offering and listing of the Shares of such company on a Stock Exchange in India or outside India; and

- 2.7.10 Any other corporate action as designated by the Company;
- 2.8 **Director** means a member of the Board of the Company;
- 2.9 **Effective Date** shall have the same meaning assigned to it as in Clause 4.1;
- 2.10 **Eligible Employee** means an Employee as selected by the company management and approved by the Board or Nomination and Remuneration Committee (“NRC”) of the Board entrusted with the responsibility to Grant Options under this Plan;
- 2.11 **Employee** means:
- 2.11.1 a permanent employee of the Company who has been working in India or outside India; or
- 2.11.2 a director of the Company, whether a whole-time director or not but excluding an independent director; or
- but does not include:
- (a) an employee who is a promoter or a person belonging to the promoter group of the Company;
- (b) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding Shares of the Company.
- 2.12 **Eligibility Criteria** means the criteria, as may be approved from time to time by the NRC based on internal ratings including loyalty, performance and designation of an Employee or such other parameters as may be approved by the NRC at its sole & absolute discretion for granting Employee Stock Options to the Employees;
- 2.13 **ESOP Tax Provisions** means the Income tax provisions notified pursuant to Section 17(2)(iii) of the Income tax Act, 1961 and amendment thereof;
- 2.14 **Exercise** means submission of Exercise Letter by the Eligible Employee for allotment of Shares, in respect of the Vested Options accompanied by the Exercise Price, within the Exercise Period;
- 2.15 **Exercise Date** means the date on which the Eligible Employee elects to Exercise the Options;
- 2.16 **Exercise Letter** shall mean letter as prescribed by the Board or NRC to Exercise the Options along with a cheque/demand draft or any other mode of payment of Exercise Price for every Option that is being Exercised;
- 2.17 **Exercise Period** means the period as provided in the Letter of Grant or such other period as may be intimated by the Board or NRC, from time to time, within which the Eligible Employee may elect to Exercise the Vested Options; maximum Exercise Period shall not exceeds 5 years from the date of Vesting.
- 2.18 **Exercise Price** means the price payable by the Eligible Employee for the Exercise of the Options Granted under the Plan for the allotment of Shares. This price will be determined by

- the Board or NRC at the time of Grant and detailed in the Letter of Grant. The Exercise Price shall not be lesser than the face value of Share;
- 2.19 **Grant** means the grant of Options. The terms 'Granted' and 'Granting' shall be construed accordingly;
- 2.20 **Grant Date** means the date as specified in the Letter of Grant by the Board and the NRC on which a Grant is made to an Eligible Employee under the Plan;
- 2.21 **Letter of Grant** shall contain the terms and conditions specific to the Options Granted to the Eligible Employee. In case of new employee ESOP terms will be as per engagement letter and engagement letter will be treated as letter of grant and exercised period shall be period allowed by NRC. The Letter of Grant shall be subject to the provisions of the Plan;
- 2.22 **Long Leave** means permission granted to the Employee to be absent from work for a period beyond fifteen days but not more than 45 (Forty-Five) days or such other period as the Company may determine in its sole and absolute discretion;
- 2.23 **Nominee** means:(A) an individual nominated by the Eligible Employee by submitting a letter in the form specified by the Board/NRC in this regard, which may be revoked or changed any time but before the Exercise of Options; (B) if no such nomination has been made in accordance with (A) herein or if the individual nomination is not in existence, then Nominee shall mean the (a) spouse, or (b) children of the Option Holder or if the Option Holder is unmarried at the time of death or Permanent Disability, then the following persons in priority: (a) parents; (b) siblings or next of kin;
- 2.24 **Option** means the right, without any obligation, granted to the Eligible Employee to subscribe to Shares upon such terms and conditions as may be specified in the Plan. Unless otherwise determined and notified by the Board one Option shall entitle the Eligible Employee to one Share;
- 2.25 **Option Holder** means an Eligible Employee who has been Granted Options and has been issued a Letter of Grant and who agrees to abide by the terms and conditions of this Plan as well as the Letter of Grant;
- 2.26 **Permanent Disability** means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Option Holder from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Board based on a medical certificate from an expert identified by the Board;
- 2.27 **Person** means any natural person, firm, company, governmental authority, joint venture, partnership, association or other entity (whether or not having separate legal personality);
- 2.28 **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;
- 2.29 **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:

- 2.30 **Plan** means the Employee Stock Option Plan – 2023 Modified as set out herein and shall include any modification and variations thereof;
- 2.31 **SEBI** means the Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992;
- 2.32 **Share** means the equity share of the Company;
- 2.33 **Sabbatical Leave** means paid or unpaid leave granted by the Company to the Employees to be absent from work but still be employed with the Company, as the case may be;
- 2.34 **Shareholder** means a person who is registered as a holder of Share/s in the register of shareholders maintained by the Company or by the Registrar and Share Transfer Agent of the Company;
- 2.35 **Unvested Option** means an Option granted, in respect of which the relevant vesting conditions have not been satisfied and as such, the Option Holder has not become eligible to Exercise the Option.
- 2.36 **Vesting** means the process of fulfilment of the criteria and conditions enumerated in the Plan and/ or Letter of Grant by an Option Holder to be eligible to Exercise his Options;
- 2.37 **Vesting Date** in relation to an Option means the date on which the Option has Vested;
- 2.38 **Vested Option** means an Option granted, in respect of which the relevant vesting conditions have been satisfied and the Option Holder has become eligible to Exercise the Option; and
- 2.39 **Vesting Period** means the period from the Grant Date till the Vesting Date.

3. INTERPRETATION

In this Plan, unless the contrary intention appears:

- 3.1 the Clause headings are for ease of reference only and shall not be relevant to interpretation;
- 3.2 the singular includes the plural and vice versa;
- 3.3 any word or expression importing the masculine, feminine or neuter genders only, shall be taken to include all three genders;
- 3.4 a reference to a Clause or a Sub-Clause, unless otherwise specified, is a reference to a Clause or Sub-Clause, as the case may be, of this Plan; and
- 3.5 References in this Plan to statutory provisions shall be construed as references to those provisions as modified or re-enacted from time to time (whether before or after the date of this Plan) and to any subordinate legislation made under such provisions and shall include references to any repealed statutory provision which has been so re-enacted (whether with or without modification).

4. APPLICABILITY AND TERM

- 4.1 The Plan applies only to Eligible Employees. This Plan shall become effective from the date of approval of the Plan by the Shareholders ("**Effective Date**").
- 4.2 The Plan shall continue to be in force until the expiry of 10 (ten) years from the Effective Date] ("**Closing Date**") or till all the options governed under the scheme are finally disposed off whichever is earlier.. Options under the Plan can be granted till the Closing Date and all Options granted till this date shall remain live till they are either Vested, lapsed, cashed out or otherwise cancelled in accordance with the provisions of the Plan. **Provided, however,** the Plan can be terminated before the Closing Date on a date on which all the Options available for issuance under the Plan have been issued and Exercised, or have lapsed and the Board and/or the NRC does not intend to re-issue the lapsed Options or the Board/ NRC in its absolute discretion decides to terminate the Plan before the Closing Date. The term Closing Date shall therefore be construed accordingly.

5. SCOPE AND ELIGIBILITY; OPTIONS/SHARES SUBJECT TO THE PLAN

- 5.1 The maximum aggregate number of Options that may be granted and thereby the issuance of Shares under the Plan shall not exceed 20,00,000 options ("Plan Pool"), on such terms and conditions, as approved by the Shareholders of the Company. One option will be converted into one equity share and accordingly 20,00,000 Options shall be convertible into 20,00,000 Equity Shares.
- 5.2 The Board and/ or the NRC shall determine the Grant in its absolute discretion, taking into consideration such factors but not limited to Eligible Employee's performance appraisal, seniority, period of service, role, and the Employee's present and potential contribution to the growth of the Company. Thereafter, from time to time, the Board and/or the Committee may grant Options to one or more Eligible Employee/s.
- 5.3 If the Options expire or become not exercisable without having been Exercised in full, the Shares which were subject to such Options shall become available for future Grant under the Plan unless the Plan stands terminated pursuant to Clause 4 of the Plan.
- 5.4 Upon allotment of Shares to the Option Holder pursuant to an Exercise under the Plan, the Plan Pool will stand reduced to the extent of such Shares Exercised.

6. IMPLEMENTATION

- 6.1 The Plan shall be implemented as per the provisions hereunder and Applicable Law.
- 6.2 All the actions required to be effected pursuant to the Plan will be undertaken by the Board and/ or the Committee.

7. ADMINISTRATION

- 7.1 The Plan shall be administered by Board and/or NRC, as the case may be. All questions of interpretation of the Plan or any Option shall be determined by the Board/NRC and such determination shall be final and binding upon all persons having an interest in the Plan or such Option(s).

- 7.2 The Board/NRC shall in accordance with this Plan and Applicable Law determine the following:
- 7.2.1 determine the Eligible Employees to become the Option Holders;
 - 7.2.2 determine the Exercise Price of the Options;
 - 7.2.3 determine the performance parameters for Grant and/or Vesting of Options to an Eligible Employee;
 - 7.2.4 determine the Vesting and/or lock-in-period of the Grant made to any Option Holder and/or any conditions subject to which such Vesting may take place;
 - 7.2.5 assess the performance of an Eligible Employee for Granting of the Options;
 - 7.2.6 determine the criteria for Vesting of Options;
 - 7.2.7 determine the number of Options to be Granted, to each Eligible Employee and in the aggregate, and the times at which such Grants shall be made;
 - 7.2.8 lay down the procedure for making a fair and reasonable adjustment to the number of Options and the Exercise Price in case of Corporate Action in accordance with the Applicable Law;
 - 7.2.9 specify the method which the Company shall use to value its Options;
 - 7.2.10 provide for the right of an Option Holder to Exercise all the Options Vested in him at one time or at various points of time within the Exercise Period;
 - 7.2.11 lay down the procedure for cashless Exercise of Options, if any;
 - 7.2.12 such other matters in respect of which the Board/NRC is required to formulate terms and conditions under Applicable Law.
- 7.3 In the event of any clarifications being required on the interpretation or application of the Plan, the same shall be referred to the Board and/or the NRC. The decision of the Board and/or the NRC shall be final and binding on the Employees in this regard.
- 7.4 For any matters specifically not provided for in this Plan or any other documents that may be issued in connection with the Options, the Board and/or the NRC shall have an absolute discretion to decide such matters in the manner deemed fit by them in the best interests of the Employees and the Company as may be permissible under the Applicable Law, rules and regulations for the time being in force. The decision of the Board/ NRC shall be final and binding on the Employees and the Option Holders.
- 7.5 Any dispute or disagreement arising under, or as a result of, or pursuant to, or in connection with this Plan shall be referred to the Board and/or the NRC and shall be determined by it from time to time. All such determination/decision/interpretation by the Board and/or the NRC shall be final and binding on all the Employees / Option Holders affected thereby.

8. GENERAL RISKS

Participation in this Plan shall not be construed as any guarantee of return on Shares allotted upon Exercise of Option.

9. GRANT OF OPTIONS

9.1 The Board/NRC may make Grants to one or more Eligible Employee(s), which shall include recurring Grants to the same Eligible Employee in accordance with the terms and conditions of the Plan.

9.2 The Board/NRC can make a Grant to any Eligible Employee in any financial year, which is equal to or exceeding 1% (one per cent) of the issued capital of the Company (excluding outstanding warrants and conversions), at the time of making such Grant provided the Shareholders have approved this via a separate resolution.

9.3 The Board/NRC shall determine the Vesting criteria/Period and Exercise Period of the Options granted under the Plan.

9.4 Options Granted to an Eligible Employee shall be evidenced by a Letter of Grant which shall contain such details and terms and conditions as may be specified by the Board/ Committee including the number of Options Granted, the Vesting criteria, Exercise Period and the other terms and conditions thereto.

9.5 The Board/NRC shall make necessary disclosures as per the Applicable Law to the Eligible Employees to whom Grant is being made.

10. VESTING

10.1 Subject to Clause 16 of the Plan, the Board/ NRC, however, in its sole and absolute discretion can determine the Vesting criteria which includes time-based criteria and/or performance-based conditions having regard to the expertise, achievement or expected achievement of key performance indicators by the prospective Option Holder, terms of employment of the prospective Option Holder amongst any other factors that it deems fit. Such Vesting criteria shall be communicated to the Option Holder under the Letter of Grant.

Provided that, the maximum Vesting Period shall not exceed more 3 (three) years from the Grant Date.

It is hereby clarified that the Vesting Period will be determined by the Board/ NRC and may vary from employee to employee as may be prescribed under the Applicable Law.

10.2 If an Option Holder is on a Long Leave or a Sabbatical Leave, then the days during which the Option Holder was on such Long Leave/ Sabbatical Leave, will not be included in determining whether the said Option Holder has satisfied the Vesting Period and/or the Vesting criteria as laid down in its Letter of Grant.

10.3 Subject to Clause 17 of the Plan,

10.3.1 the Unvested Options shall vest with the Option Holder as per the Vesting criteria mentioned in the Letter of Grant given to the Eligible Employee; and

10.3.2 the Vested Options shall entitle the Option Holder to Exercise the Vested Options and apply for the Shares at the Exercise Price within the Exercise Period.

11. EXERCISE PRICE

11.1 The Exercise Price shall be either face value of the equity shares of the Company or discount in the range of 10% to 50% over listed price as may be decided by the NRC which should be as per the guidelines issued by the SEBI (SBEB and Sweat Equity) Regulations which in any case will not be lower than the face value of the equity shares of the Company on the date of such grant.

12. EXERCISE OF OPTIONS

12.1 The Option Holder may exercise the Vested Options within the Exercise Period. In the event the Option Holder fails to Exercise his Vested Options within the Exercise Period, then such Vested Options shall lapse and revert to the Plan Pool. Neither the Company nor the Board and/or the NRC will have any obligation towards such Option Holder with respect to any lapsed Options and no further communication shall be made to the Option Holder in this regard. Further, employee may exercise options in tranches under the Exercise period.

12.2 To Exercise the Options, the Option Holder must submit an Exercise Letter to the Board and/or the Committee accompanied by the Exercise Price which shall be paid either by or through, as the case may be:

12.2.1 cheque drawn on the Company; or

12.2.2 online to the Company's bank account as may be intimated from time to time; or

12.2.3 the Option Holder's authority to the Company to deduct such amount from his salary due and payable; or

12.2.4 such other mode as may be approved by the Board/ Committee from time to time to the extent permitted by Applicable Law; or

12.2.5 a combination of any of the abovementioned methods.

12.3 Notwithstanding the foregoing provisions of this Clause 11 and subject to Applicable Law, in case of cessation of employment, any Exercise of the Options by such Option Holder shall be in accordance with the provisions of Clause 17 of this Plan.

12.4 Upon Exercise of Options, the Board/Committee shall cause, within a reasonable period, to allot such number of Shares underlying the Vested Options as are Exercised, to the Option Holder, Nominee or former Employee, as the case may be.

13. RIGHTS AS A SHAREHOLDER

No Employee shall have a right to receive any dividend or to vote at any general meeting of the Company or in any manner enjoy the benefits of a Shareholder in respect of Options Granted or Vested in the Option Holder.

14. AUTHORITY TO VARY/MODIFY TERMS

- 14.1 Subject to Applicable Law including the requirement of approval of Shareholders through a special resolution, the Board and/or NRC shall, at its absolute discretion, have the right to vary/modify/amend the Plan, in such manner and at such time or times as it may deem fit, subject however that any such modification/amendment shall not be detrimental to the interests of the Option Holders.
- 14.2 Such right to vary/modify/amend this Plan as and when required will be subject as always to the Applicable Law. No member of the Board and/or the NRC shall be primarily liable for any decision or action that was taken in good faith concerning this Plan.

15. TRANSFERABILITY OF OPTIONS

The Options cannot be assigned, alienated, pledged, attached, hypothecated, sold or otherwise transferred or encumbered by the Option Holder except under the circumstances provided under Clause 16.6 herein. Any purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance not permitted herein shall be void and unenforceable against the Company.

16. CORPORATE ACTION

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

17. TERMINATION OF EMPLOYMENT

- 17.1 In the event of termination of employment of the Option Holder due to his death or Permanent Disability, all the Unvested Options shall Vest on the date of termination of such employment. The Option Holder or his Nominee, as the case may be, may Exercise the Vested Options in accordance with Clause 12 of the Plan within a period as may be stipulated in the Letter of Grant. Any Options which are not Exercised within the period, as stipulated by the Board/Committee, shall lapse and be cancelled and revert to the Plan Pool. The Company shall not have any further obligations towards the Option Holder or the Nominee, as the case may be, in respect of such lapsed Options.
- 17.2 In the event of termination of employment of the Option Holder due to Cause, all Options whether Vested or Unvested, shall lapse and stand cancelled on the termination of employment of the Option Holder. Such cancelled Options shall revert to the Plan Pool. The Company shall not have any further obligations towards the Option Holder in respect of such lapsed Options.
- 17.3 In the event of termination of employment of the Option Holder due to resignation, retirement or early retirement, all Vested Options as on date of submission of resignation may be exercised by the Option Grantee on or before his last working day with the Company and all Unvested Options shall lapse and stand cancelled on the termination of employment of the Option Holder. Such cancelled Options shall revert to the Plan Pool. The Company

shall not have any further obligations towards the Option Holder in respect of such lapsed Options.

- 17.4 In the event of termination of employment of the Option Holder due to the reasons other than mentioned in Clauses 17.1, 17.2 and 17.3, the Board/Committee, shall at its sole and absolute discretion determine the treatment of outstanding Vested Options and the Exercise Period for the exercise of such Options. All the Unvested Options and the Vested Options which are not exercised within the Exercise Period as determined by the Board/Committee shall lapse and stand cancelled on the termination of employment/ expiry of the Exercise Period of the Option Holder. Such cancelled Options shall revert to the Plan Pool. The Company shall not have any further obligations towards the Option Holder in respect of such lapsed Options.

18. LOCK IN

- 18.1 The Shares issued upon exercise of Options shall have a lock-in period of one year from the date of Exercise of the shares or as per the letter of grant, post which it will be freely transferable.

19. MISCELLANEOUS

- 19.1 No right to a Grant:

Neither the adoption of the Plan nor any action of the Board/Committee shall be deemed to give an Eligible Employee any right to be Granted any Options to acquire Shares or to any other rights hereunder except as may be evidenced by Letter of Grant signed and countersigned by the Company and the Eligible Employee, respectively.

- 19.2 No employment rights conferred:

Nothing contained in the Plan or in any Grant made hereunder shall:

19.2.1 confer upon any Option Holder any right with respect to continuation of employment or engagement with the Company; or

19.2.2 interfere in any way with the right of the Company to terminate Employment or services of any Option Holder at any time.

- 19.3 Tax deduction/ recovery:

The Company shall have the right to deduct/recover all taxes payable either by itself or by the Option Holder, in connection with all Grants / Options / Shares under this Plan, by way of deduction at source from salary and, in addition, to require any payments necessary to enable it to satisfy such obligations. The Option Holder will also, as a condition of the Plan, authorize the Company or its Nominee to sell such number of Shares, as would be necessary, to discharge the obligation in the respect of such taxes and appropriate the proceeds thereof on behalf of the Option Holder.

- 19.4 No restriction on Corporate Action:

The existence of the Plan and the Grants made hereunder shall not in any way affect the right or the power of the Board or the Shareholders to make or authorise any 'Corporate

Action', strategic sale of substantial stake by the Shareholders including any issue of Shares, debt or other securities having any priority or preference with respect to the Shares under the Plan or the rights thereof, whether or not such action would have an adverse effect on the Plan or any Grant made under the Plan. No Employee or other person shall have any claim against the Company or the new company / new entity that is formed or takes over a part or whole of the business of the Company because of such action.

19.5 Dissolution or liquidation:

In the event of a dissolution or liquidation, the Board/Committee shall inform each Option Holder, as soon as practicable/permissible under Applicable Law, of the same and communicate regarding the treatment of Options held by the Option Holder.

19.6 Confidentiality:

The Option Holder shall ensure complete confidentiality in respect of all documents, matters and discussions in relation to the Plan, Grant, Letter of Grant or any connected matter except where such disclosure is made to a third-party professional (including a lawyer, chartered accountant etc.) for seeking legal or financial advice. Any violation may result in cancellation of Options, Vested or Unvested.

19.7 Nominee:

A Nominee shall alone be entitled to exercise the rights of the Option Holder concerned in the event of death/ Permanent Disability of the Option Holder, subject to the terms and conditions of the Plan. It is hereby clarified that any Shares received by the Nominee in the event of Permanent Disablement of the Option Holder, then the Nominee shall hold such Shares in trust for the Option Holder.

19.8 Surrender of Option:

An Option Holder by way of written request tender all or any of its Options for surrender. The Board/Committee on receipt of such request, consider it and cancel such surrendered Options vis-à-vis the Option Holder. The Company and the Board/Committee shall have no obligation towards such surrendered and cancelled Options.

19.9 New Employee Stock Option Plans:

Nothing contained in the Plan shall be construed to prevent the Company from implementing another incentive plan for the employees, directly or through any trust settled by Company, which is deemed by the Company to be appropriate or in its best interest, provided such action would not have any adverse impact on the Plan or any Grant made under the Plan. No Option Holder or other Person shall have any claim against the Company and/or trust as a result of such action.

19.10 Notice and correspondence:

Any notice required to be given by, or any correspondence from, an Option Holder or the Nominee or the former Employee to the Company may be given at the following address:

Attention: Company Secretary and Compliance Officer

Address: Registered office which is currently at 19, Floor-3rd, 408, Prabhadevi Industrial Estate, Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025.

Any notice required to be given to the Option Holder or the Nominee or the former Employee, as the case may be, by the Company may be given at the address of the Option Holder/Nominee/former Employee, as maintained by the Company in its records. If there is any change of address for service, it shall be the sole responsibility of the addressee (Company or the Option Holder or the Nominee or the former Employee, as the case may be) to update the other party (Company or the Option Holder or the Nominee or the former Employee, as the case may be) about the change in address for service. However, if there is no change or update of address, service on either address shall remain effective and it shall be sufficient discharge of obligation of service, intimation, notice or correspondence.

19.11 Disputes

All disputes arising out of or in connection with the Plan or the Grant shall be referred to the Board/Committee for mutual resolution by the parties.

19.12 Governing law and jurisdiction

19.12.1 The terms and conditions of the Plan shall be governed by and construed in accordance with the laws of the Republic of India.

19.12.2 The competent Courts of Cochin, Kerala shall have jurisdiction in respect of all matters, disputes, or differences arising in relation to or out of this Plan.

19.13 No Discrimination

Nothing in this Plan may be deemed to be discriminating amongst the Employees or the Eligible Employees on the grounds of gender, age, nationality, race, ethnicity, language or otherwise. The Plan in terms of coverage of the Eligible Employees aligns with prevailing management practices and remuneration principles and is not discriminating against any section of Employees.

19.14 This Plan will operate *inter-alia*, under Companies Act 2013 and the Applicable Law, provisions not specifically provided herein but set out in such aforesaid laws.

RECOMMENDED AND ADOPTED BY THE BOARD OF DIRECTORS AS OF 10th FEBRUARY, 2024.

APPROVED BY THE SHAREHOLDERS AS OF 11TH MARCH 2024.

ECO HOTELS AND RESORTS LIMITED
(FORMERLY KNOWN AS "SHARAD FIBRES AND YARN PROCESSORS LIMITED")

SAMEER DESAI
COMPANY SECRETARY
Membership No: A41275