

# MPS

**MPS Limited- Employee Stock Option Scheme 2023**

# MPS

## MPS Limited

Regd. Office: Super-A, 16/ 17, RR Tower - 4, Thiru-Vi-Ka Industrial Estate, Guindy,  
Chennai, Tamil Nadu, 600032.  
CIN: L22122TN1970PLC005795

### INDEX

1.	NAME, OBJECTIVE AND TERM OF THE ESOS 2023.....	3
2.	DEFINITIONS AND INTERPRETATION .....	4
3.	AUTHORITY AND CEILING.....	9
4.	SUPERVISION AND ADMINISTRATION.....	10
5.	ELIGIBILITY AND APPLICABILITY.....	12
6.	GRANT AND ACCEPTANCE OF GRANT .....	12
7.	VESTING SCHEDULE AND CONDITIONS .....	13
8.	EXERCISE .....	14
9.	LOCK-IN.....	16
10.	EXIT ROUTE IN CASE OF DE-LISTING.....	16
11.	RESTRICTION ON TRANSFER OF OPTIONS .....	17
12.	RIGHTS AS A SHAREHOLDER .....	17
13.	TAXATION .....	17
14.	AUTHORITY TO VARY TERMS .....	18
15.	MISCELLANEOUS.....	18
16.	ACCOUNTING AND DISCLOSURES .....	19
17.	CERTIFICATE FROM SECRETARIAL AUDITORS .....	19
18.	GOVERNING LAWS .....	20
19.	NOTICES .....	20
20.	JURISDICTION.....	21
21.	NOMINATION .....	21
22.	LISTING OF THE SHARES .....	21
23.	SEVERABILITY.....	21
24.	CONFIDENTIALITY.....	21



**MPS Limited**

**Regd. Office:** Super-A, 16/ 17, RR Tower - 4, Thiru-Vi-Ka Industrial Estate, Guindy,  
Chennai, Tamil Nadu, 600032.  
**CIN:** L22122TN1970PLC005795

1. **Name, Objective and Term of the ESOS 2023**
- 1.1 This scheme shall be called the ‘MPS Limited- Employee Stock Options Scheme 2023’ (“ESOS 2023” or “Scheme”).
- 1.2 The objective of the ESOS 2023 is to attract, retain and reward the key Employees of the Company 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.
- 1.3 The ESOS 2023 is established with effect from January 21, 2023, on which the shareholders of the Company have approved the ESOS 2023 by way of a special resolution and shall continue to be in force until (i) its termination by the Board or Committee as per provisions of Applicable Laws, or (ii) the date on which all of the Options available for Grant under the ESOS 2023 have been issued and exercised.



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**2. Definitions and Interpretation**

**2.1 Definitions**

- i. **“Applicable Law”** means every law relating to equity-based compensation plan, including, without limitation to, the Companies Act and rules thereof and includes any statutory modifications or re-enactments thereof, Securities Exchange Board of India Act, 1992, the SEBI SBEB Regulations and all relevant tax, securities, exchange control or corporate laws of India or any relevant jurisdiction or of any Stock Exchange on which the Shares are listed or quoted.
- ii. **“Board”** means the Board of Directors of the Company.
- iii. **“Committee”** means the nomination and remuneration committee constituted by the Board from time to time, as per the requirements of the Applicable Laws, to supervise the ESOS 2023 and other employee benefit schemes among other things, 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 SEBI SBEB Regulations read with powers specified in this ESOS 2023.
- iv. **“Companies Act”** means the Companies Act, 2013 and includes any statutory modifications or re-enactments thereof.
- v. **“Company”** means ‘MPS Limited’, a Company incorporated under the provisions of the Companies Act, 1956 and having Corporate Identification Number L22122TN1970PLC005795 and its registered office at Super-A, 16/ 17, RR Tower - 4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai, Tamil Nadu, 600032.
- vi. **“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.
- vii. **“Director”** means a member of the Board of the Company.



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- viii. **“Eligibility Criteria”** means the criteria as may be determined from time to time by the Committee for granting 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; and
  - (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 any-body corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company;
- x. **“Employee Stock Option”** means an Employee Stock Option granted to an Employee, which gives such Employee a right, but not an obligation, to purchase or subscribe at a future date the Share underlying such option at a pre-determined price, namely the face value of the Share.
- xi. **“ESOS 2023”** means this ‘MPS Limited - Employee Stock Option Scheme 2023’ 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 Trust to acquire the Shares underlying the Options vested in him, in pursuance of the ESOS 2023, in accordance with the procedure laid down by the Company/Trust 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 ESOS 2023.
- xiv. **“Exercise Price”** means the price payable by the Employee in order to exercise the Options granted to him in pursuance of the ESOS 2023.
- xv. **“Grant”** means the process by which the Company issues Options to the Employees under the ESOS 2023.



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- xvi. **“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.

- xvii. **“Option Grantee”** means an eligible Employee who has been granted an Employee Stock Option in pursuance of the ESOS 2023 and deems to include a Beneficiary being the legal heir or nominee of such Option Grantee upon his eventual death while in employment or service.

- 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- xix. **“Market Price”** means the latest available closing price of Shares on the Stock Exchange on which the Shares of the Company are listed on the date immediately preceding the Grant Date.

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

- xx. **“Misconduct”** means disregard of the Company’s bye-law, rules, regulations and the Company Policies/ Terms of Employment and includes mismanagement of position by action or inaction, alleged wrong doing, misfeasance, or violation of any rule, regulation or law which was expected to be abided by the Employee.

- xxi. **“Permanent Incapacity”** means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Option Grantee from performing any specific job, work or task which the said Employee was capable of performing immediately before occurrence of such disability, as determined by the Committee based on a certificate of a medical expert identified by the Company.

- xxii. **“Promoter”** has the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

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- xxiii. **“Promoter Group”** has the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. 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.
- xxiv. **“Retirement”** means retirement as per the rules of the Company.
- xxv. **“Option”** means an Employee Stock Option.
- xxvi. **“SEBI SBEB Regulations”** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and enacted from time to time read with all circulars and notifications issued thereunder.
- xxvii. **“Secondary Acquisition”** means acquisition of existing Shares of the Company by the Trust on the platform of a recognized Stock Exchange for cash consideration.
- xxviii. **“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.
- xxix. **“Shares”** means equity shares of face value of Rs. 10 (Rupees Ten) each of the Company within the meaning of this ESOS 2023.
- xxx. **“Stock Exchange”** means National Stock Exchange Limited or BSE Limited or any recognized other stock exchange in India on which the Company’s Shares are listed.
- xxxi. **“Subsidiary Company”** means any present or future Subsidiary Company of the Company, as per the provisions of the Companies Act.
- xxxii. **“Trust”** means the ‘MPS Employee Welfare Trust’ set-up by the Company for the administration of the employee stock option plans/ schemes of the Company including this Scheme being authorised from time to time, to acquire, hold and transact in cash and Shares of the Company for the purposes of relevant employee stock option plan/ schemes of the Company including this Scheme.
- xxxiii. **“Trustee”** shall mean the person/ entity appointed as a trustee under the trust deed of the Trust to manage the affairs of the Trust.



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- xxxiv. **“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 entitled to receive the benefit of grant made under ESOS 2023.
- xxxv. **“Vest” or “Vesting”** means earning by the Option Grantee, of the right to Exercise the Employee Stock Options granted to him in pursuance of the ESOS 2023.
- xxxvi. **“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.
- xxxvii. **“Vesting Conditions”** means the conditions subject to which the Options granted would vest in an Option Grantee.
- xxxviii. **“Vesting Period”** means the period, during which the Vesting of the Option granted to the Option Grantee, in pursuance of ESOS 2023 takes place.

**2.2 Interpretation**

In this ESOS 2023, unless the contrary intention appears:

- a) the clause headings are for ease of reference only and shall not be relevant to interpretation;
- b) a reference to a clause number is a reference to its sub-clauses;
- c) words in singular number include the plural and vice versa;
- d) words importing a gender include any other gender;
- e) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference; and
- f) words and expressions used and not defined here but defined in the SEBI SBEB 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.



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**3. Authority and Ceiling**

- 3.1 The shareholders of the Company while approving this ESOS 2023 by way of special resolution dated January 21, 2023, have authorized the Committee to grant not exceeding **4,00,000 (Four Lakh)** Options to the eligible Employees under the ESOS 2023, from time to time, in one or more tranches, exercisable into not more than same number of Shares, out of which not more than 2,00,000 (Two Lakh) Shares to be sourced from Secondary Acquisition, from time to time, through the Trust and balance Shares to be issued by the Company to the Trust from time to time as primary issue, in one or more tranches and to be transferred by the Trust to the Option Grantee upon Exercise of Options.
- 3.2 Each Option conferring a right upon the Option Grantee to apply for one Share to be transferred by the Trust upon Exercise thereof, in accordance with the terms and conditions as may be determined by the Committee in accordance with the provisions of ESOS 2023 and Applicable Laws.
- 3.3 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 **50,000 Options** per eligible Employee. However, the Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to each Employee within this ceiling.
- 3.4 If an Option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options pool and shall become available for future grants, subject to compliance with the provisions of the Applicable Laws.
- 3.5 Where Shares are transferred by the Trust consequent upon Exercise of an Option under the ESOS 2023, the maximum number of Shares that can be transferred under ESOS 2023 as referred to in Sub-clause 3.1 above shall stand reduced to the extent of 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 ESOS 2023, the maximum number of Shares being granted under ESOS 2023 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.



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#### **4. Supervision and Administration**

##### **4.1 Supervision**

- a) This ESOS 2023 shall be supervised by the Committee. All the functions relating to superintendence of this ESOS 2023 shall stand possessed with the Committee in which case the rights, powers, duties or liabilities of the Board to the extent delegated along with that contemplated under the Applicable Laws. All questions of interpretation of this ESOS 2023 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in this ESOS 2023.
- b) Neither the Committee nor any of its members shall be liable for any actions taken in good faith for the implementation of the ESOS 2023.
- c) The Committee may rely upon the advice and assistance of any professional it deems appropriate in implementation of the ESOS 2023.
- d) The Committee shall, in accordance with this ESOS 2023 and Applicable Laws, determine the following:
  - i) The Eligibility Criteria for grant of Options to the Employees;
  - ii) The quantum of Options to be granted under the ESOS 2023 per Employee, subject to the ceiling as specified in Sub-clause 3.1 and 3.3;
  - iii) Terms and conditions in respect of Grant, Vesting and Exercise of Options by the Employees which may be different for different Employees or classes thereof falling in the same tranche of Grant of Options under the ESOS 2023;
  - iv) The 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;
  - v) The procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the Committee:
    - a) the number and price of Options shall be adjusted in a manner such that total value of the Options remains the same after the corporate action; and



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**CIN:** L22122TN1970PLC005795

- b) the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Option holders.
- vi) the procedure and terms for the Grant, Vesting and Exercise of Options in case of Employees who are on long leave in terms of Sub-clause 7.4 of the ESOS 2023;
- vii) the conditions under which Options shall vest and be exercised in case of suspension of employment for alleged Misconduct;
- viii) determine the treatment of the Options held by an eligible Employee in case of suspension/termination of services or in case of any pending inquiries;
- ix) any matter relating to the Trust and aspects of administration of ESOS 2023 by the Trust;
- x) the procedure for buy-back of Options granted under the ESOS 2023 if to be undertaken at any time by the Company, and the applicable terms and conditions, including:
  - a) permissible sources of financing for buy-back;
  - b) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
  - c) limits upon quantum of Options that the Company may buy-back in a financial year.
- xi) the procedure for funding for Exercise of Options, as permitted under the Applicable Laws; and
- xii) approve forms, writings and/or agreements for use in pursuance of the ESOS 2023.
- e) The Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the Company, Subsidiary Company of the Company and Employees, as applicable.



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**CIN:** L22122TN1970PLC005795

**4.2 Administration**

- a) The ESOS 2023 shall be administered by the Trust to the extent aspects of such administration are delegated by the Committee as per requirements of Applicable Laws.
- b) The Trust shall be governed subject to following terms and conditions:
  - i) It shall not deal in derivatives and shall undertake only such transactions as permitted under the deed of Trust read with the provisions of the Applicable Laws;
  - ii) The Trustees appointed or re-appointed from time to time shall be such persons as being not disqualified as prescribed under the Applicable Laws; and
  - iii) The Trustees shall not vote in respect of the Shares held by the Trust.
- c) The Trustees while administering ESOS 2023 shall abide by the provisions contained therein, terms of the Grant, Vesting and Exercise as decided by the Committee and shall ensure compliance of the provisions of relevant Applicable Laws as prevailing from time to time, in connection with dealing with the Shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed.

**5. Eligibility and Applicability**

- 5.1 Only Employees within the meaning of the ESOS 2023 are eligible for being granted Options. The appraisal process for determining the eligibility of Employees or Eligibility Criteria shall be decided from time to time by the Committee. The broad Eligibility Criteria shall be as per the disclosure made in the explanatory statement to the notice of shareholders' general meeting.
- 5.2 The ESOS 2023 shall be applicable to the Company and any successor company thereof, and Subsidiary Companies and may be granted to the Employees and Directors of the Company, of the Subsidiary Company as determined by the Committee at its own discretion.

**6. Grant and Acceptance of Grant**

- 6.1 Grant of Options  
Each Grant under this ESOS 2023 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 under the ESOS 2023 from time to time.



**MPS Limited**

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**CIN:** L22122TN1970PLC005795

**6.2 Acceptance of the Grant**

- (a) Any Employee who wishes to accept the Grant made under this ESOS 2023 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 60 days from the date of the Grant, as specified in the letter of Grant. On receipt by the Company of the signed acceptance, the Employee will become an Option Grantee.
- (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 henceforth as an Option Grantee, shall be bound by the terms, conditions and restrictions of the ESOS 2023 and the Grant document. The Option Grantee's acceptance of the Grant of Options under the ESOS 2023, within the time period provided, shall constitute an agreement between the Option Grantee and the Company as to the terms of this ESOS 2023 and the Grant document.

**7. Vesting Schedule and Conditions**

- 7.1 Options granted under this ESOS 2023 would Vest not earlier than minimum Vesting Period of **1 (One) year** and not later than maximum Vesting Period of **4 (Four) years** from the Grant Date.

**Provided that** in case where Options are granted by the Company under the ESOS 2023 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 shall be adjusted against the minimum Vesting Period required under this sub-clause.

**Provided further that** in the event of death or Permanent Incapacity, the minimum vesting period of One (1) year shall not be applicable and in such instances, the Options shall vest on the date of death or Permanent Incapacity.

- 7.2 The Options shall vest subject to achievement of performance conditions, the criteria being a mix of corporate, business unit/segment, and individual performance. The relative weightage of performance parameters shall be determined by the Committee on each occasion of grant which



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may differ from Employee to Employee or classes thereof depending on existing and expected role of the concerned Employees.

7.3 Vesting of Options would be subject to continued employment with the Company or Subsidiary Company, as the case may be, and has not served any notice of resignation.

7.4 The specific Vesting schedule and Vesting Conditions subject to which Vesting would take place would be outlined in the document given to the Option Grantee at the time of Grant of Options.

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

The period of leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Committee.

**8. Exercise**

8.1 **Exercise Price**

- (a) The Exercise Price shall be the Market Price of the Share of the Company at the time of Grant.
- (b) The specific Exercise Price shall be intimated to the Option Grantee in the Grant letter at the time of Grant.
- (c) Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn or by any electronic mode in favour of the Company/Trust or in such other manner as the Committee may decide from time to time.

8.2 **Exercise Period**

- (a) **While in employment:** The Vested Options shall be exercised by the Option Grantee within the maximum exercise period of **5 (five) years from the date of vesting of Options**, or such other shorter period as may be prescribed by the Committee at time of Grant and as set out in the letter of Grant.
- (b) **In case of separation from employment:** Options can be exercised as per provisions outlined below:

# MPS

## MPS Limited

Regd. Office: Super-A, 16/ 17, RR Tower - 4, Thiru-Vi-Ka Industrial Estate, Guindy,  
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CIN: L22122TN1970PLC005795

S. No.	Separations	Vested Options	Unvested Options
1	<b>Resignation or termination</b> (other than due to Misconduct)	Subject to maximum Exercise Period, all the Vested Options as on the date of resignation/ termination shall be exercisable by the Option Grantee within a period of <b>3 (Three) months</b> from date of resignation/termination.	All Unvested Options on the date of submission of resignation/ date of termination shall stand <b>cancelled</b> with effect from that date.
2	<b>Termination due to Misconduct</b>	All Vested Options at the time of such termination shall stand <b>cancelled</b> with effect from the date of such termination.	All Unvested Options on the date of such termination shall stand <b>cancelled</b> with effect from the termination date.
3	<b>Retirement</b>	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 <b>24 (Twenty-Four) months</b> from the date of Retirement.	All Unvested Options as on the date of Retirement would continue to vest in accordance with the <b>original vesting schedules</b> even after the Retirement unless otherwise determined by the Committee in accordance with the Company's Policies and provisions of the then prevailing Applicable Law.  Such aforesaid Vested Options can be exercised within a period of <b>24 (Twenty-Four) months</b> from the date of Vesting.
4	<b>Death</b>	All Vested Options may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than <b>24 (Twenty-Four) months</b> from the date of death of the Option Grantee.	All the Unvested Options as on date of death shall vest immediately with effect from the date of his/her death to the Option Grantee's nominee or legal heir and can be exercised in the same manner as defined for Vested Options, within <b>24 (Twenty-Four) months</b> from such vesting.
5	<b>Permanent Incapacity</b>	All Vested Options may be exercised by the Option Grantee, immediately after, but in no event later than <b>12 (Twelve) months</b> 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 manner as defined for Vested Options.

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6	<b>Other reasons apart from those mentioned above</b>	The Nomination and Remuneration 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 separation shall stand cancelled with effect from that date.
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### 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, 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 Laws.

8.4 The Options shall be deemed to have been exercised when an Option Grantee makes an application in writing complete in all respect to the Trust or by any other means as decided by the Committee, for issue of Shares of the Company against the Options vested in him.

### 8.5 Lapse of Options

The Options not exercised within the Exercise Period shall lapse and be cancelled. The Employee shall have no right over such lapsed or 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 ESOS 2023.

**Provided that** the Shares allotted on such Exercise cannot be sold, transferred or alienated in any manner during such period as required under the terms of Code of Conduct for Prevention of Insider Trading of the Company framed under Securities Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

## 10. Exit route in case of de-listing

If the Company gets de-listed from all the recognized Stock Exchanges, then the Board or Committee as authorized by the Board shall have the powers to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance of the Applicable Laws.



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**CIN:** L22122TN1970PLC005795

**11. Restriction on transfer of Options**

- 11.1 The Options 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 clause 8.2(b) would apply as to transmission of any rights of the deceased Option Grantee.
- 11.3 No person, other than the Option Grantee to whom the Option is granted, shall be entitled to Exercise the Option, except in the event of the death of such Option Grantee, in which case provisions of table under 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 Restricted Stock Units granted, till Shares underlying such Restricted Stock Units are allotted on 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 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 Restricted Stock Units and becomes a registered holder of the Shares of the Company.
- 12.3 If the Company issues bonus or rights shares, the Option Grantee will not be eligible for the bonus or rights Shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with Clause 4.2(e) of ESOS 2023.

**13. Taxation**

- 13.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this ESOS 2023 and the Shares issued pursuant to Exercise thereof shall be on the Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder.
- 13.2 The Company shall have the right to deduct from the Option Grantee's 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.



**MPS Limited**

**Regd. Office:** Super-A, 16/ 17, RR Tower - 4, Thiru-Vi-Ka Industrial Estate, Guindy,  
Chennai, Tamil Nadu, 600032.  
**CIN:** L22122TN1970PLC005795

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

**14. Authority to vary terms**

14.1 For the purpose of efficient implementation and administration of the ESOS 2023 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 ESOS 2023 and/ or terms of the Options already granted under the ESOS 2023 subject to the condition that such amendment, alteration, or variation, as the case may be is not detrimental to the interest of Employees.

Provided that the Company shall be entitled to vary the terms of the ESOS 2023 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 the ESOS 2023 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 ESOS 2023 shall be subject to all Applicable Laws including any statutory modification(s) or re-enactment(s) thereof, and approvals from governmental authorities, if any, and to the extent required.

**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 Laws, for the lawful issuance and sale of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of the failure to grant the Options or issue Shares.

15.3 Neither the existence of this ESOS 2023 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 ESOS 2023 or any future scheme(s) by being granted an Options on any other occasion.



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15.4 The rights granted to an Option Grantee upon the grant of Options shall not accord 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 Options in whole or in part.

15.6 **General Risks**

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

**16. Accounting and Disclosures**

16.1 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 SEBI SBEB & SE Regulations.

16.2 The Company shall make disclosures to the prospective Option Grantees containing statement of risks, information about the Company and salient features of the ESOS 2023 in a format as prescribed under SEBI SBEB Regulations.

16.3 The Company shall disclose details of Grant, Vest, Exercise and lapse of the Options in the Directors' Report or in an annexure thereof as prescribed under SEBI SBEB Regulations or any other Applicable Laws as in force.

**17. Certificate from Secretarial Auditors**

The Committee shall at each annual general meeting place before the shareholders a certificate from the Secretarial Auditors of the Company that the ESOS 2023 has been implemented in accordance with the SEBI SBEB Regulations and in accordance with the resolution of the Company in the general meeting.



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**18. Governing Laws**

18.1 The terms and conditions of the ESOS 2023 shall be governed by and construed in accordance with the Applicable Laws including the foreign exchange laws mentioned below.

18.2 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 and Exercise of Options thereof.

**19. Notices**

19.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOS 2023 shall be in writing and/or in any other means of electronic communication. The communications shall be made by the Company in any one or more of the following ways:

- i. Sending communication(s) to the last known address of the Option Grantee available in the records of the Company; or
- ii. Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; 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.

19.2 Any communication to be given by an Option Grantee to the Company in respect of ESOS 2023 shall be sent to the person at the address mentioned below:

**Company Secretary**

**MPS Limited**

**Address:** 4th Floor, Tower - A, Windsor IT Park, A-1, Sector 125, Noida, Uttar Pradesh, 201303,  
India

Email id: secretarial@mpslimited.com



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**CIN:** L22122TN1970PLC005795

**20. Jurisdiction**

20.1 The Courts at Noida, Uttar Pradesh, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOS 2023.

20.2 Nothing in this Clause shall however limit the right of the Company to bring proceedings against any Employee in connection with this ESOS 2023:

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

**21. Nomination**

The Employee has to nominate a person as his/her nominee. The nominee in case of death or Permanent 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 ESOS 2023.

**22. Listing of the Shares**

Subject to receipt of necessary approvals in this regard, the Shares transferred on Exercise of the Options shall be listed on the recognized Stock Exchange(s) on which the Shares of the Company are listed or proposed to be additionally listed.

**23. Severability**

In the event any one or more of the provisions contained in this ESOS 2023 shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this ESOS 2023, but this ESOS 2023 shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and the ESOS 2023 shall be carried out as nearly as possible according to its original terms and intent.

**24. Confidentiality**

23.1 An Option Grantee must keep the details of the ESOS 2023 and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, co-employees or with any employee and/ or associate of the Company or that of its affiliates. In case Option Grantee is found in breach of this Confidentiality Clause, the Company shall have undisputed right to terminate any agreement for Grant of ESOSs and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality requirement shall be final, binding and cannot be questioned by Option



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Grantee. In case of non-adherence to the provisions of this clause, the Nomination and Remuneration Committee will have the authority to deal with such cases as it may deem fit.

- 23.2 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 ESOS 2023 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. In case the Option Grantee intends to withdraw this deemed authorization by withdrawing from the Grant, he/ she can do so with express communication to the Company.

-----End of ESOS 2023-----