

Waaree Energies Limited

Reg. Office: 602, Western Edge - I, Off. Western Express Highway, Borivali East. Mumbai - 400066

CIN: U29248MH1990PLC059463

Waaree Energies Limited

Waaree - Employee Stock Option Plan 2021

Waaree Energies Limited

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1. Name, Objectives and Term of the Plan

- 1.1 This employee stock option plan shall be called the ‘**Waaree - Employee Stock Option Plan 2021**’ (“**ESOP 2021**” / “**Plan**”).
- 1.2 The primary objectives of the Plan are to reward the Employees for their association, dedication, and contribution to the goals of the Company. The Company intends to use this Plan to attract, retain and motivate the key talents by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The Company views Option 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 Plan is established with effect from September 1, 2021, on which the shareholders of the Company have approved the Plan by way of a special resolution, and it shall continue to be in force until (i) its termination by the Company as per provisions of Applicable Laws, or (ii) the date on which all of the Options available for issuance under the Plan have been granted, vested, and exercised, whichever is earlier.
- 1.4 Subject to provisions of Clause 16 of this Plan, the Board, or the Committee as authorized may at any time alter, amend, suspend or terminate the Plan.

2. Definitions and Interpretations

2.1 Definitions

- i. “**Applicable Laws**” means every law relating to Options, to the extent applicable, including and without limitation to the Companies Act, regulations of the Securities and Exchange Board of India, particularly in connection with or after Listing, including the SEBI SBEB Regulations, all relevant tax, securities, exchange control, corporate laws, or amendments thereof including any circular, notification issued thereunder, of India or of any relevant jurisdiction or of any Stock Exchange on which the Shares may be listed or quoted.
- ii. “**Board**” means the Board of Directors of the Company.
- iii. “**Companies Act**” means the Companies Act, 2013, rules made thereunder, and includes any statutory modifications or re-enactments thereof.

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- iv. **"Company"** means Waaree Energies Limited, a company incorporated under the provisions of the Companies Act, 1956, having CIN: U29248MH1990PLC059463 and having its registered office at 602, Western Edge - I, Off. Western Express Highway, Borivali East. Mumbai - 400066.
- v. **"Company Policies/ Terms of Employment"** means the Company's Policies for Employees, the Terms of Employment, and the code of conduct as intimated from time to time, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other Employees and customers.
- vi. **"Committee"** means the Nomination and Remuneration Committee of the Board, as constituted or reconstituted from time to time under Section 178 or any other relevant provisions of the Companies Act, *inter alia*, for the administration and superintendence of this Plan and having such powers as specified under the SEBI SBEB Regulations, with the relevant portions of this Plan.
- vii. **"Current Shareholder"** means a person who holds Shares in the paid-up equity share capital of the Company at the relevant point in time and the term "Current Shareholders" shall refer to all such Current Shareholders whether an individual or a corporate or other entity.
- 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 determining the eligibility of the Employees for Grant of Options under the Plan.
- x. **"Employee"** means
 - a. a permanent employee of the Company working in or outside India; or
 - b. a Director of the Company, whether a whole-time or not;**but excludes:**
 - (i) an employee who is a Promoter or a person belonging to the Promoter Group; and
 - (ii) a Director who either by himself /herself or through his/her relatives or through anybody corporate, directly or indirectly, holds more than 10% of the issued and subscribed Shares of the Company
 - (iii) an Independent Director within the meaning of the Companies Act.

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- xi. **“Employee Stock Option”** means an option granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the Shares underlying the Option at a pre-determined price.
- xii. **“ESOP 2021”** means this ‘Waaree - Employee Stock Option Plan 2021’, under which the Company is authorized to grant Options to the Employees.
- xiii. **“Exercise”** means expression of intention in writing by an Option Grantee to the Company to issue of Shares underlying the Options vested in him, in pursuance of this Plan, in accordance with the procedure laid down by the Company for Exercise of Options.
- xiv. **“Exercise Period”** means such time period commencing after Vesting within which the Employee should exercise the Options vested in him in pursuance of the Plan.
- xv. **“Exercise Price”** means the price determined by the Committee as per provisions of this Plan and specified in the Grant Letter, being payable by an Employee upon Exercise of the Options vested in him in pursuance of the Plan.
- xvi. **“Fair Market Value”** means fair market value of a Share of the Company as determined by a registered valuer appointed as per the provisions of the Companies Act.

Provided that after Listing, the term ‘Fair Market Value’ shall refer to “Market Price” within the meaning of the SEBI SBEB Regulations.
- xvii. **“Grant”** means issue of Options to the Employees by the Company under the Plan.
- xviii. **“Grant Letter”** means the formal communication in writing as regards Grant made by the Company to the Employee containing specific details, terms and conditions of the Options.
- xix. **“Independent Director”** means a Director within the meaning of Section 149(6) of the Companies Act and after Listing, as determined under the relevant regulations issued by the Securities Exchange Board of India.
- xx. **“Listing” / “IPO”** means listing of the Company’s Shares on any recognized Stock Exchange, pursuant to an initial public offer of Shares or 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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- xxi. **“Liquidity Event”** means any event or transaction as decided and approved by the Board as liquidity event for the purposes of this Plan, from time to time, which more particularly includes the following events:
- a) Strategic Sale event conferring a right of drag along to the Current Shareholders in terms of provisions of Sub-clause 9.1 (a) of the Plan
 - b) Exercise in case of offer of purchase by an investor in terms of provisions of Sub-clause 9.1 (b) of the Plan; and
 - c) Any other event, which the Board may designate as a liquidity event for the purpose of the Plan.
- xxii. **“Misconduct”** means any of the following acts or omissions by an Option Grantee in addition to any provisions prescribed in the offer or **Company Policies/ 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 Option Grantee, with respect to the Company;
 - (ii) any misdemeanor 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; and
 - (vi) misconduct as provided under applicable labour laws after following the principles of natural justice.
- xxiii. **“Option”** means an employee stock option within the meaning of this Plan.
- xxiv. **“Option Grantee”** means an Employee who has been granted Option(s) and has

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accepted such Grant as required under the Plan.

xxv. “**Options Pool**” means such number of Shares a Company decides to reserve for granting of Options to the existing and future Option Grantees under ESOP 2021.

xxvi. “**Permanent Incapacity**” means any disability or incapacitation 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 personnel was capable of performing immediately before such disablement, as determined by the Committee.

xxvii. “**Plan**” means ESOP 2021.

xxviii. “**Promoter**” means a person:

- (i) who has been named as such in a prospectus or is identified by the Company in the annual return;
- (ii) who has control over the affairs of the Company, directly or indirectly whether as a shareholder, Director or otherwise; or
- (iii) in accordance with whose advice, directions or instructions the Board is accustomed to act:

Provided that nothing in Sub-clause (iii) shall apply to a person who is acting merely in a professional capacity.

Provided further that upon Listing, the term “Promoter” defined hereinabove shall have meaning as defined in the SEBI SBEB Regulations.

xxix. “**Promoter Group**” shall have meaning as defined in the SEBI SBEB Regulations.

xxx. “**Retirement**” means retirement as per the rules of the Company.

xxxi. “**SEBI SBEB Regulations**” means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2021 as amended from time to time read with all circulars and notifications issued thereunder.

xxxii. “**Share(s)**” means an equity share of the Company of face value of INR 10 (Ten) each fully paid-up including the equity shares arising out of the Exercise of Options granted under this Plan.

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xxxiii. **“Stock Exchange”** means the National Stock Exchange of India Limited, BSE Limited, or any other recognized Stock Exchange in India on which the Company’s Shares are listed or to be listed in future.

xxxiv. **“Strategic Sale”** means sale of Shares held by the Current Shareholders to any individual(s), entity(ies) or group(s) other than the Promoter or Promoter Group, of more than 50% (fifty percentages) of the voting power in the Company and involving change of control over the affairs of the Company or in the constitution of the Board.

Provided that sale of Shares by the Current Shareholder(s) among themselves, to any of their immediate relatives being spouse, son, daughter and parent, or to any company over which such selling Current Shareholder(s) have control, shall not qualify as Strategic Sale.

xxxv. **“Unvested Option”** means an Option, which is not a Vested Option.

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”** means earning by the Option Grantee, of the right to Exercise the Options granted to him in pursuance of the Plan.

xxxviii. **“Vesting Condition”** means the condition(s) prescribed, if any, subject to satisfaction of which, the Options granted would vest in an Option Grantee.

xxxix. **“Vesting Date”** means the date(s) on which Grant of Options would vest in an Option Grantee, upon completion of the Vesting Period and compliance with any other conditions specified.

xl. **“Vesting Period”** means the period during which the Vesting of the Option granted to the Employee, in pursuance of the Plan takes place.

2.2 Interpretation

In this Plan, unless the contrary intention appears:

- (a) the clause headings are for ease of reference only and shall not be relevant for interpretation;
- (b) a reference to a clause number is a reference to its Sub-clauses;

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- (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) the terms defined above shall for the purposes of this Plan have the meanings herein specified and terms not defined above shall have the meanings as defined in the Companies Act or Applicable Laws including the SEBI SBEB Regulations, as the context requires. Reference to any act, rules, statute, or notification shall include any statutory modifications, substitution or re-enactment thereof.

3. Authority and Ceiling

- 3.1 The shareholders of the Company have vide their special resolution dated September 1, 2021 approved the Plan authorizing the Committee to grant not exceeding 1,00,00,000 (One crore) Options (“Options Pool”) to the eligible Employees in one or more tranches, from time to time, which in aggregate shall be exercisable into not more than 1,00,00,000 (One crore). Any other event, which the Board may designate as a liquidity event for the purpose of the Plan Shares, with each such Option conferring a right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided under the Plan.
- 3.2 The maximum number of Options that may be granted to any Employee in any year and in aggregate under the Plan shall not exceed 97,000 (Ninety seven thousand only); provided that the Committee may grant 15,00,000 options to any Employee in aggregate in Financial Year 2022-23 under the Plan. However, the Committee reserves the right to determine an individual ceiling.
- Provided that in case Grant of Options to any Employee exceeds 1% (One percent) of issued capital (excluding outstanding warrants and conversions) in any year, the Company shall obtain prior approval of the shareholders of the Company by way of a special resolution.
- 3.3 If an Option expires, lapses, or becomes un-exercisable due to any reason, it shall be brought back to the Options reserve specified above and shall become available for future Grants, subject to compliance with the provisions of the Applicable Laws.
- 3.4 Where Shares are issued consequent upon Exercise of Options under the Plan, the maximum number of Shares that can be issued under sub-clause Clause 3.1 above shall stand reduced to

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the extent of such Shares are issued.

- 3.5 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 Plan, the maximum number of Shares available for being issued under Plan 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. Thus, for example, if the prevailing face value of each Share is INR 10 per Share and the revised face value after the Share split is INR 5 per Share, the total number of Shares available under Plan would be (Shares reserved at sub-clause 3.1 x 2) Shares of INR 5 each. Similarly, in case of bonus issues, rights issues, merger, sale of division and others, the available number of Shares under Plan shall be revised to restore the value, in terms of sub-clause 4.2(i) of this Plan.
- 3.6 The Company shall take prior approval from shareholders of the Company before grant of Options to Employee after Listing.

4. Administration

- 4.1 The Plan shall be administered by the Committee. All questions of interpretation of the Plan or any Option granted thereunder shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Plan or in any Option granted thereunder.
- 4.2 The Committee shall, in accordance with this Plan and Applicable Laws, determine the following:
- (a) The Eligibility Criteria for Grant of Option to the Employees;
 - (b) The quantum of Options to be granted to the eligible Employees, subject to the ceilings as specified in sub-clauses 3.1 and 3.2;
 - (c) The time when the Options are to be granted;
 - (d) The number of Options to be granted to each Option Grantee;
 - (e) The terms and conditions subject to which the Options granted would vest in the Option Grantee;
 - (f) The specific Vesting Period and Vesting schedule of the Options granted;

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- (g) Determine the Exercise Price of the Options granted;
 - (h) Obtaining permissions from, making periodic reports to regulatory authorities, as may be required and ensuring compliance with all guidelines applicable in this regard;
 - (i) The procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of Options and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, inter alia, be taken into consideration by the Committee:
 - (j) the number and price of Options shall be adjusted in a manner such that total value of the Options in the hands of the Option Grantee remains the same after such corporate action; and
 - (k) the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Option Grantees.
 - (l) The procedure and terms for the Grant, Vesting and Exercise of Options in case of Option Grantees who are on a long leave;
 - (m) the conditions under which Option vested in Employees may lapse in case of termination of employment for Misconduct;
 - (n) Approve forms, writings and/or agreements for use in pursuance of the Plan;
 - (o) The procedure for cashless Exercise of Options, as permitted under the Applicable Laws; and
 - (p) Formulate suitable policies and procedures to ensure that there is no violation of Applicable Laws, in relation to this Plan by the Company/ Board/ shareholders/ participants.
- 4.3 Post Listing, the Committee shall frame suitable policies and procedures to ensure that there is no violation of any securities laws including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating To Securities Market) Regulations, 2003 or any statutory modification or re-enactment of these regulations by the Company or any of its Employees, as applicable.

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5. Eligibility and Applicability

- 5.1 Only Employees are eligible for being granted Options under Plan. The specific Employees to whom the Options would be granted, and their Eligibility Criteria would be determined by the Committee at its sole discretion.
- 5.2 The Plan shall be applicable to the Company and any successor company thereof to the extent any of their Employees have been granted Options under the Plan and also apply to each Option Grantee.

The process for determining the eligibility of the Employees will include designation period of service, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

6. Grant and Acceptance of Grant

6.1 Grant of Options

- (a) Grants contemplated under the Plan shall be made on such day and month as decided by the Committee at its sole discretion.
- (b) Each Grant of Options under the Plan shall be made in writing by the Company to the eligible Employees by way of Grant Letter containing specific details of the Grant.

6.2 Acceptance of the Grant

- (a) An eligible Employee who wishes to accept the Grant made under this Plan must deliver to the Company a duly signed acceptance of the Grant Letter on or before the (“**Closing Date**”) which shall not be more than 30 days from the date of the Grant, as specified in the Grant Letter. On receipt by the Company of the signed acceptance, the eligible Employee will become an Option Grantee.
- (b) Upon receipt by the Company of such signed acceptance, the eligible Employee will become an Option Grantee. Failure to deliver such acceptance before the specified date, shall result in rejection of the Grant and lapse of Options unless the Committee determines otherwise.

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7. Vesting Schedule / Vesting Conditions

7.1 Options granted under Plan shall vest not earlier than 1 **(One) year** and not later than maximum Vesting Period of **10 (Ten) years** from the date of Grant. The Committee at its discretion may grant Options with a specific Vesting Period ranging from minimum and maximum Vesting Period as mentioned above which may be different for different Employees or classes thereof.

Provided that in case where Options are granted by the Company under the Plan 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.

7.2 Vesting of Options would be subject to continued employment with the Company and thus the Options would vest essentially on passage of time. In addition to this, the Committee may also specify certain pre-conditions and/or performance criteria subject to satisfaction of which the Options would vest.

7.3 As a prerequisite for a valid Vesting, an Option Grantee is required to be in employment or service of the Company on the date of Vesting and must neither be serving notice for termination of employment/ service, nor be subject to any disciplinary proceedings pending against him on such date of Vesting. However, on cessation of any disciplinary proceeding in favour of the Option Grantee shall entitle him to earn the Vesting kept in abeyance.

7.4 The specific Vesting schedule and Vesting Conditions subject to which Vesting would take place would be outlined in the Grant Letter.

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.

7.6 Acceleration of Vesting in certain cases

Subject to elapse of minimum Vesting Period of 1(One) year from the date of Grant:

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- (i) The Board shall have the power to accelerate Vesting of any or all Unvested Options in connection with happening of Liquidity Event.
- (ii) The Board shall have power to select specific employees and their eligibility criteria for giving effect to clause 7.6 (i) above.
- (iii) The Options remaining unvested as on date of meeting of the Board considering the proposal for such acceleration, may at the discretion of the Board be deemed to vest with effect from that date or from such other date as the Board may determine.
- (iv) In case, after approval of acceleration of Vesting of Unvested Options by the Board, there occurs no Liquidity Event, on consideration of which Board would have approved such acceleration, such non-occurrence shall lead to automatic cancellation of such accelerated Vesting as if such proposal was never considered nor approved by the Board as a result of which such Unvested Options shall be subject to normal Vesting schedule.

8. Exercise Price

- a) The Exercise Price shall be decided by the Committee which shall in no case be less than the face value of Shares of the Company as on date of Grant.
- b) The specific Exercise Price shall be intimated to the Option Grantee in the Grant Letter issued at the time of Grant.
- c) Payment of the Exercise Price shall be made by crossed cheque, demand draft or electronic mode in favour of the Company as the Committee may decide from time to time.

9. Exercise Period - Prior to Listing

Prior to Listing, all the provisions of this Clause shall govern the aspects of Options as specified herein notwithstanding any provision to the contrary in this Plan. Upon Listing, this Clause shall not have any effect and the aspects dealt with herein shall be governed under the other relevant Clauses of this Plan. Exercisability of Options prior to Listing shall be determined as under:

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S. No.	Event of Separation	Vested Options	Unvested Options
1	Resignation / termination (other than due to Misconduct)	All the Vested Options as on date of resignation or termination shall be exercisable by the last working day .	All the Unvested Options as on date of resignation/ termination shall stand cancelled with effect from date such resignation/ termination.
2	Termination due to Misconduct	All the Vested Options at the time of issuing notice of such termination shall stand cancelled with effect from the date of issuing notice of such termination.	All the Unvested Options at the time of issuing notice of such termination shall stand cancelled with effect from the date of issuing notice of such termination.
3	Retirement	The Vested Options as on the date of retirement can be exercised by the Option Grantees only in connection with or upon happening of a Liquidity Event and within such period as prescribed by the Board in this regard.	All Unvested Options on the date of Retirement shall stand cancelled with effect from date of Retirement.
4	Death	The Vested Options as on the date of death can be exercised by the Option Grantees' legal heir only in connection with or upon happening of a Liquidity Event and within such period as prescribed by the Board in this regard.	All the Unvested Options as on date death shall vest immediately in the Option Grantee's legal heir and can be exercised by the Option Grantee's legal heir immediately only in connection with/ upon happening of Liquidity Event and within such period as prescribed by the Board.

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S. No.	Event of Separation	Vested Options	Unvested Options
5	Permanent Incapacity	The Vested Options as on the date of permanent incapacity can be exercised by the Option Grantees's nominee only in connection with or upon happening of a Liquidity Event and within such period as prescribed by the Board in this regard.	All the Unvested Options as on date permanent incapacity shall vest immediately in the Option Grantee's nominee and can be exercised by the Option Grantee's nominee immediately only in connection with/ upon happening of Liquidity Event and within such period as prescribed by the Board.
6	Other reasons apart from those mentioned above	The Committee shall decide whether the Vested Options which were not exercised as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All the Unvested Options as on the date of separation shall stand cancelled with effect from such date unless otherwise required under Applicable Laws.

All the Vested Options can be exercised within the Exercise Period of 4 (Four) years from the date of Vesting during continuation of employment/service.

9.1 Exercise and monetization upon liquidity events

(a) Drag-along rights of current shareholders

- (i) In case prior to Listing, to facilitate Strategic Sale, the Current Shareholders shall have the right of drag-along of any or all the Shares underlying the Options of the Option Grantees. However, this drag-along shall be on terms not less favorable than those of the sale of the Shares held by the Current Shareholders as more particularly mentioned hereunder.
- (ii) The Current Shareholders referred to Sub-clause above shall deliver a written notice ("Notice") to each Option Grantee setting out the salient features of the Strategic Sale and details of the terms and conditions including the number of Shares to be dragged-along, number of Vested Options qualify for Exercise, the period within which Exercise must be completed, sale price per Share, the terms and conditions of the proposed Sale, manner & mode of transfer of Shares and the time within which all the prescribed processes must be completed.

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- (iii) Option Grantees can exercise the Vested Options as instructed in the Notice. Such Option Grantees may choose not to exercise in which case notified quantum of Vested Options shall lapse. In case, Exercise is made by such Option Grantees, the resultant Shares must be tendered as per Notice.
- (iv) The Option Grantee whose shareholding as on date of receipt of Notice falls short of number of Shares specified for drag-along, may exercise such number of Vested Options so as to comply as per Notice stated above.
- (v) Each Option Grantee shall take all necessary and desirable actions in connection with the completion of the Strategic Sale, including executing agreements and instruments and taking other actions as may be reasonably necessary to provide the representations, warranties, indemnities, covenants, conditions and other provisions and agreements, as the case may be, required to complete the Strategic Sale.
- (vi) If the Option Grantee fails for any reason to take any of the actions described above particularly after allotment of Shares upon such Exercise, he/she shall be deemed to have appointed any Director nominated by the Company as his/her attorney, on his/her behalf and in his/her name, with full power, to execute, complete and deliver any document or instrument or to take any other action, including to receive the proceeds of the sale and to give good quittance for the sale price in order to complete the Strategic Sale. The Option Grantee shall confirm and ratify the acts of such Director acting as his attorney under this Sub-clause.

(b) Exercise in case of offer of purchase by an investor

- (i) Prior to Listing, any individual, entity or group (“Investor”) who intends to subscribe the Shares of the Company and/ or acquire Shares from the current shareholder(s), shall have the right to make an offer (“Offer”) to the Option Grantees having Shares underlying Vested Options yet to be exercised.
- (ii) The Investor shall intimate its/his/their intention of such Offer to the Committee along with details namely the salient features of the Offer and details of the terms

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and conditions including, the Exercise Period within which the Vested Options must be exercised to take part in the Offer, number of Shares intended to be purchased, and purchase consideration thereof.

- (iii) The purchase consideration shall not be lesser than the consideration which the Investor would be paying for subscription or acquisition of Shares, whichever is higher.
- (iv) The Committee shall intimate the details of such Offer to the Option Grantees individually.
- (v) Option Grantees can exercise the Vested Options as prescribed in the Offer. Such Option Grantees may choose not to exercise in which case the prescribed number of Vested Options shall lapse. In case, Exercise is made by such Option Grantees, the resultant Shares must be tendered as per Offer.
- (vi) Each Option Grantee shall take all necessary and desirable actions in connection with the purchase, including executing agreements and instruments and taking other actions as required for completing the purchase and provisions of Sub-clause 9.1 (a)(vi) above shall apply to this clause to the extent relevant.

(c) Cash Settlement of Vested Options

- (i) The Committee at its discretion shall have the right, without any obligation, to prescribe for cash settlement of any or all unexercised Vested Options.
- (ii) The consideration for the cash settlement shall be determined with reference to Fair Market Value prevailing as on date of Board meeting approving such proposal. In case of cash settlement, excess of such Fair Market Value over relevant Exercise Price shall be paid.
- (iii) To the extent unexercised Vested Options are settled by way of cash payment, all rights of the Option Grantee therein including the right to Exercise such Options deemed to be settled and extinguished with effect from date of receipt of the cash payment.

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10. Exercise Period - Post Listing

Provisions on exercisability of Options prior to Listing have been specified at Clause 9 of the Plan. However, exercisability of Options after Listing shall be determined as under:

S. No.	Events	Vested Options	Unvested Options
1	Continuation of employment/ service	All the Vested Options can be exercised within the Exercise Period of 4 (Four) years from the date of (i) Vesting, or (ii) Listing, whichever is later.	All the Unvested Options shall continue to vest as per original Vesting schedule and be exercisable within the period specified for Vested Options.
2	Resignation/ Termination (other than due to Misconduct)	All the Vested Options as on date of resignation or termination shall be exercisable by the last working day .	All the Unvested Options as on date of resignation or termination shall lapse .
3	Retirement	All the Vested Options as on date of Retirement shall be exercisable within 6 (Six) months from the date of retirement	All the Unvested Options shall continue to vest as per original Vesting schedule and be exercisable within the period specified for Vested Options.
4	Termination due to Misconduct	All the Vested Options as on date of such termination Shall lapse .	All the Unvested Options as on date of such termination Shall lapse .
5	Death	All the Vested Options as on date of death shall be exercisable by the legal heir/ nominee of such deceased Option Grantee within a period of 1 (One) year from the date of (i) Death, or (ii) Listing, whichever is later.	All the Unvested Options as on date of death shall vest immediately (minimum vesting period is not applicable) and be exercisable in the manner specified for Vested Options.
6	Permanent Incapacity	All the Vested Options as on date of incurring of Permanent Incapacity shall be exercisable by the Option Grantee within a	All the Unvested Options as on date of incurring of Permanent Incapacity shall vest immediately (minimum vesting period is not

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S. No.	Events	Vested Options	Unvested Options
		period of 1 (One) year from the date of (i) incurring of Permanent Incapacity, or (ii) Listing, whichever is later.	applicable) and be exercisable in the manner specified for Vested Options.
	Cessation of employment/ service 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 decision shall be final.	All the Unvested Options as on the date of such termination shall stand cancelled unless otherwise required by the Applicable Laws.

10.1 The Vested Options can be exercised by the Option Grantees by a written application to the Company in the format as may be prescribed in due course keeping in view the administrative and/ or the legal requirements prevailing at that time.

10.2 The Options not exercised within the prescribed Exercise Period shall lapse and the Option Grantee shall have no right over such lapsed or cancelled Options, which shall immediately get added back to the Options Pool.

11. Free transferability upon Listing

11.1 Upon Listing, the Option Grantee, or his nominee/ legal heir, wherever applicable, can sell Shares in the open market at any time in accordance with Applicable Laws and policies of the Company, subject to any lock in period as per Applicable Laws.

11.2 Upon Listing and subject to the other provisions of the Applicable Laws, the Company shall list new Shares issued under the Plan on the recognized Stock Exchange(s).

12. Lock-in

12.1 Upon Listing, the **Shares** issued upon Exercise of Options shall be freely transferable and shall not be subject to any lock-in period restriction after such issue except as required under the Applicable Laws including that under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, or code of conduct framed, if any, by the Company after Listing under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

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13. Restriction on transfer of Options

- 13.1 Options shall not be directly or indirectly pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 13.2 Options shall not be directly or indirectly transferable to any person except in the event of death of the Option Grantee or inability to exercise due to Permanent Incapacity, in which case provisions of Sub-clause 9 or 10, as the case maybe would apply.
- 13.3 No person other than the Employee to whom the Option is granted shall be entitled to Exercise the Option except in the event of the death of the Option Grantee or inability to exercise due to Permanent Incapacity, in which case provisions of Sub-clause 9 or 10, as the case maybe would apply.

14. Other Terms and Conditions

- 14.1 The Option Grantee shall not have a right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of Options granted, till the time Shares are issued to them upon Exercise of such Options.
- 14.2 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 under the Grant unless the Option Grantee exercises the Option and thereupon, becomes a registered holder of the Shares of the Company.
- 14.3 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 Sub-clause 4.2(i) of Plan.

15. Deduction / recovery of Tax

- 15.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this Plan and the Shares issued pursuant to Exercise thereof shall be entirely on Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder and/or Income Tax Laws of respective countries as applicable to eligible Option Grantees working abroad, if any.
- 15.2 The Company shall have the right to deduct from the Option Grantee's salary or recover any tax

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that is required to be deducted or recovered under the Applicable Laws. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.

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

16. Authority to vary terms

16.1 The Committee or the Board may, if it deems necessary, vary the terms of the Plan, subject to compliance with the requirements of the Applicable Laws and approval of the shareholders in a general meeting in such manner that such variation is not detrimental to the interest of the Employees. The Company shall be entitled to vary the terms of the Plan to meet any regulatory requirements.

16.2 The Company may also re-price the Options which are not exercised, whether or not they have vested, if Plan 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 in general meeting has been obtained for such re-pricing.

17. Miscellaneous

17.1 Ratification of Plan post Listing

Post Listing of Shares, the Company shall ensure that no fresh Grants are made under the Plan, unless the Plan is in Compliance with SBEB Regulations, and such Plan is ratified by the Shareholders of the Company.

17.2 Government Regulations

This Plan shall be subject to all Applicable Laws, and approvals from governmental authorities.

17.3 Inability to obtain authority

The inability of the Company to obtain authority from any regulatory body having jurisdiction over the Company, or under any Applicable 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 issue or sell such Shares.

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- 17.4 Neither the existence of this Plan nor the fact that an Employee has on any occasion been granted an Option shall give such Employee any right, entitlement or expectation that the Employee has, or will in the future, have any such right, entitlement or expectation to participate in this Plan by being granted an Option on any other occasion.
- 17.5 The rights granted to an Option Grantee upon the grant of an Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).
- 17.6 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.
- 17.7 Participation in Plan shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the market price of the Shares and the risks associated with the investments are that of the Option Grantee alone.

18. Accounting and Disclosures

- 18.1 The Company shall follow the rules/regulations applicable to accounting of Options with reference to Fair Market Value of Shares as on date of Grant.
- 18.2 The rules/regulations to be followed shall include but not limited to the IND AS / Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India or any other appropriate authority, from time to time, including the disclosure requirements prescribed therein.

19. Certificate from Auditors and Disclosures

Upon Listing, the Board shall at each annual general meeting place before the shareholders a certificate from the auditors of the Company that the Plan has been implemented in accordance with the SEBI SBEB Regulations and in accordance with the resolution of the Company in the general meeting. The Board shall also make the requisite disclosures of the Plan, in the manner specified under the SEBI SBEB Regulations.

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20. Governing Laws and Jurisdiction

20.1 The terms and conditions of the Plan shall be governed by and construed in accordance with the Applicable Laws of India including the foreign exchange laws.

20.2 The High Court at Mumbai and courts subordinate to it shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this Plan.

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

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

21. Notices

21.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this Plan shall be in writing and shall be sent to the address of the Option Grantee available in the records of the Company; or delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; or emailing the communication(s) to the Option Grantee at the official email address provided, if any, during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.

21.2 Any communication to be given by an Option Grantee to the Company in respect of Plan shall be sent at the address mentioned below or emailed at:

Mr.Hitesh Mehta

Designation: Director and Chief Financial Officer

Company: Waaree Energies Limited

Registered office:

602, Western Edge- I, Off. Western Express Highway,

Borivali East. Mumbai - 400066.

Email: hiteshmehta@waaree.com

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22. Severability

In the event any one or more of the provisions contained in this Plan 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 Plan in which case the Plan shall be construed as if such invalid, illegal, or unenforceable provisions had never been set forth herein, and the Plan shall be carried out as nearly as possible according to its original intent and terms.

23. Confidentiality

23.1 An Option Grantee must keep the details of the Plan and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, co-employees or with any employee and/ or associate of the Company or that of its affiliates. In case Option Grantee is found in breach of this confidentiality clause, the Company has undisputed right to terminate any agreement and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality clause shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this clause, the Board/ Committee shall 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 Plan 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-----