

BAZEL INTERNATIONAL LTD.

EMPLOYEES STOCK OPTION PLAN (ESOP) 2022

1. Introduction

This document sets out the salient features of the employees stock option plan called “**BIL Employees Stock Option Plan 2022**” (‘**ESOP 2022**’/ ‘**Plan**’) of ‘**Bazel International Ltd.**’ (the Company), a public limited company incorporated under the Companies Act, 1956 and having its registered office at II-B/20, First Floor, Lajpat Nagar, New Delhi-110024.

This ESOP Plan, formulated by the Board of Directors of the Company in conformity with the proviso to sub-clause (iii) of clause (2) of Section 17 of the Income Tax Act, 1961, has been varied and amended for aligning it with the Section 62(1)(b) Companies Act, 2013 (hereinafter ‘the Act’) and the Companies (Share Capital and Debentures) Rules, 2014, and the relevant provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, which has been approved unanimously by the Board of Directors at its meeting held on 07th September, 2022 and subsequently by its shareholders by passing special resolution approved by Shareholders in the 40th Annual General Meeting (‘AGM’) held on 30th September 2022. Pursuant to the approval of Shareholders, the Board has made changes in the ESOP 2022 and decided that the plan should be administered through an Employee Welfare Trust namely- **BIL EMPLOYEE STOCK OPTION TRUST** (hereinafter referred to as “Trust”). The Board had formed this trust pursuant to the approval of the shareholders at 40th Annual General Meeting held on 30th September 2022. The Board, thereafter in its meeting held on 11th January 2023 has approved the scheme with certain modifications and with subsequent approval of shareholders in the Extra-ordinary General Meeting held on 06th February, 2023, it was resolved that the administration and implementation of ESOP 2022 shall be done through **BIL EMPLOYEE STOCK OPTION TRUST** (“Trust Deed”).

This Trust deed provides that it would be the duty of the trustees to act in the interest of employees who are beneficiaries of the trust and subject to provisions of these regulations, it shall not act in any manner or include any provision in the trust deed that would be detrimental to the interests of the beneficiaries

This ESOP Plan shall continue in force till the end of exercise period of options granted.

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The Board or Compensation Committee as authorized by the Board may subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the ESOP Plan.

2. Legal & Statutory Framework

The ESOP scheme is governed by and has been framed in accordance with the applicable provisions of Sections 2(37), 62(1)(b) and all other applicable provisions, if any, of the Act read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014.

3. Intent

3.1. The objectives of this ESOP Plan are to promote the long-term financial interest of the Company and to offer to eligible Employees of the Company an opportunity to participate in the share capital of the Company. The objects of the Employee Stock Option Plan are:

- i) to create a variable pay structure for the employees.
- ii) incentivize them in line with Company's performance
- iii) To provide means to enable the Company to attract and retain high quality human talent in the employment of the Company;
- iv) To create a sense of ownership and provide the Employees, with wealth creation opportunities, while in employment of the Company.
- v) to retain and motivate senior and critical human resources and to promote loyalty to the Company.

3.2. The Company desires that Options for equity shares of the Company should be granted to certain Employees, Officers, Directors of the Company pursuant to a structure where under:

- i) The Company grants loans to the Trust from time to time within the prescribed limits in terms of applicable provisions of the Act for the purpose of subscribing to the Shares not more than 15% of the issued share capital of the Company;
- ii) The Trust shall use the funds as 'loan' received from the Company to subscribe to the Share capital of the Company;

In accordance with this ESOP Plan, Options shall be granted to certain Employees, Officers and Directors of the Company, eligible under this ESOP Plan who will, at the time of exercise period, apply to the Shares from the Trust at a specified price.

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iii) The Trust shall upon satisfaction of the eligibility criteria and other required norms, transfer the shares to the eligible employee/beneficiary/option grantee.

It is clarified that (i) an employee who is a promoter or a person belonging to the promoter group; or (ii) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the company will not be granted options under this ESOP Plan.

4. Definitions and Interpretation

4.1 In this document, the following expressions including their grammatical variations or cognate expressions shall, where the context so admits, have the following meaning:

i) '**Applicable Law**' means every law related to Employee Stock Options, to the extent applicable, including without limitation to the Companies Act, 2013, SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021, all relevant taxation laws, securities, exchange control, corporate laws of India or of any other relevant jurisdiction, or rules of any stock Exchange on which shares are to be listed or quoted which deems to include any amendment and reenactments thereof.

ii) '**Board / Board of Directors**' means the Board of Directors of the Company from time to time.

iii) '**Common Stock**' means the equity shares of the Company and includes any securities convertible into equity shares.

iv) '**Company**' means Bazel International Ltd. ('Bazel'), having its registered office at **II-B/20, First Floor, Lajpat Nagar, New Delhi – 110024**, its successors and assigns.

v) '**Companies Act, 2013**' means the Companies Act, 2013 and rules made thereunder and include any statutory modifications or reenactments thereof.

vi) '**Company Policies/Terms of Employment**' means the Company's policies for Employees and the terms of employment as may be contained in the employment letter or the Company handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete, and non-poaching of other employees and customers.

vii) '**Compensation Committee**' means Nomination and Remuneration Committee of

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the Company as resolved by the Board of Directors in their meeting held on 07th September 2022, comprising of such members of the Board as required under Section 178 of the Companies Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

viii) **“Corporate action”** means a change in the capital structure of the Company as a result of re-classification of Shares, sub-division of Shares, consolidation, issue of bonus Shares, conversion of Shares into other shares or Securities of the Company and any other change in the rights or obligations in respect of Shares, issue of shares on rights basis and any other form of equity share issuance.

ix) **‘Disability’** shall mean “Disability” as defined in any applicable agreement between the Grantee and the Company or if there is no such agreement or Disability is not defined therein, then a grantee’s becoming physically or mentally incapacitated, as confirmed by the medical doctor of the Company, so that he is therefore reasonably expected to be unable to perform his duties to the Company.

x) **‘Eligibility Criteria’** means the criteria as may be determined from time to time by Compensation Committee for granting of Employee Stock Options to the Employees.

xi) **‘Employee’** means:

a) A permanent employee of the company who has been working in India or outside India;

b) 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;

c) But does not include:

1. An employee who is a promoter or a person belonging to the promoter group; or
2. A director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the company.

xii) **‘Exercise’** means making of an application by an employee to the company or to the trust for issue of shares against vested options in pursuance of the scheme covered under Part A of SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021.

xiii) **‘Exercise Date’** means the date on which an Employee of the Company elects to



Exercise the Options.

xiv) '**Exercise period**' means the time period after vesting within which an employee can exercise his/her right to apply for shares against the vested options in pursuance of the scheme covered under Part A of SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021.

xv) '**Exercise price**' means the price, if any, payable by an employee for exercising the option granted to such an employee in pursuance of the scheme covered under Part A of SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021.

xvi) "**ESOP Plan/ESOP 2022**" means and refers to '**BIL Employees Stock Option Plan 2022**' ('**Bazel ESOP 2022**'/ '**Plan**') defined hereof.

xvii) '**Grant**' means the process by which the company issues options, shares or any other benefits under any of the schemes.

xviii) '**Grant Date**' means the date on which Compensation Committee approves the grant.

xix) '**Independent Director**' means a Director within the meaning of Section 149(5) of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

xx) '**Key Managerial Personnel**' shall have the same meaning as defined under section 2(51) of the Companies Act, 2013

xxi) '**Market Price**' means the latest available closing price on a recognised stock exchange on which the shares of the company are listed on the date immediately prior to the relevant date. In case the shares are listed on more than one recognised stock exchange, then the closing price on the recognised stock exchange having higher trading volume shall be considered as the market price.

xxii) '**Misconduct**' means any of the following acts or omissions by an Employee in addition to any provisions prescribed in the offer or Terms of Employment amounting to violation or breach of Terms of Employment as determined by the Committee after giving the Employee and opportunity of being heard, wherever required:



- a. committing of any act warranting summary termination under law; or
- b. conduct which in the reasonable opinion of the Committee amounts to a serious breach by an Option Grantee of the obligation of trust and confidence to his employer; or
- c. a finding by the Committee that an Employee has committed any material or consistent breach of any of the terms or conditions of the Employee service agreement including any willful neglect of or refusal to carry out any of his duties or to comply with any instruction given to him by the Committee; or
- d. being convicted of any criminal offence; or
- e. being disqualified from holding office in the Company or any other company under any legislation or being disqualified or disbarred from membership of, or being subject to any serious disciplinary action by, any regulatory body within the industry, which undermines the confidence of the Committee in the individual's continued employment; or
- f. having acted or attempted to act in any way which in the opinion of the Committee has brought or could bring the Company or any other member of the group into disrepute or discredit;
- g. breach or violation of any Company Policies/ Terms of Employment; and
- h. Any other act or omission not included above, but defined as misconduct in the Company's rules or Employee handbook and / or employment agreement and/or appointment letter, if any.

xxiii) '**Option**' means the option given to an employee which gives such an employee a right to purchase or subscribe at a future date, the shares offered by the company, directly or indirectly, at a pre-determined price.

xxiv) '**Option Grantee**' means an employee having a right but not an obligation to exercise an option in pursuance of an ESOS.

xxv) '**Promoter**' shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended.

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



xxvii) "Promoter Group" shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended.

Provided that where the Promoter or promoter group of the Company is a body corporate, the Promoters of that body corporate shall also be deemed to be Promoters of the Company.

xxviii) "**Relevant Date**" means any of the following dates as the context requires:

- in the case of Grant, the date of the meeting of the Committee on which the Grant is made;
- or
- in the case of Exercise, the date on which the notice of Exercise is given to the Company by the Option Grantee

xxix) "**Retirement**" means retirement as per the rules of the Company.

xxx) "**Recognized Stock Exchange**" means a stock exchange which has been granted recognition under section 4 of the Securities Contracts (Regulation) Act, 1956.

xxxi) "**Relative**" shall have the same meaning as defined under section 2(77) of the Companies Act, 2013.

xxxii) "**Resultant Shares**" means the equity shares issued in lieu of Shares of the Company on any Change in Capital Structure or on any Corporate Action as mentioned in this ESOP Plan.

xxxiii) "**Share**" means equity shares of the Company and the securities convertible into equity shares.

xxxiv) "**Strategic Sale**" refers to the sale of entire issued, subscribed and paid-up equity share capital of the Company and/or any event resulting from Corporate Action undertaken by the Company.

xxxv) "**SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021**" means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and re-enacted from time to time, and includes any clarifications or circulars issued thereunder.

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xxxvi) "**Shares**" means equity shares of the Company of face value of Rs. 10 (Ten) each fully paid-up including the equity shares arising out of the Exercise of Options granted under ESOP 2022.

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

xxxviii) "**Tenure**" or "**Plan Tenure**" means the period from approval of this ESOP Plan till the end of vesting period of options granted.

xxxix) "**Trust**" means "**BIL EMPLOYEE STOCK OPTION TRUST**" created and established under the provisions of the Indian Trusts Act, 1882 including any statutory modification or re-enactment thereof, for implementing any of the schemes covered by SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021.

xl) "**Trustees**" means the trustees of the Trust for the time being and persons nominated/appointed as such from time to time by the Board of Directors of the Company and to perform such actions and deeds as stipulated in the Trust Deed.

xli) "**Unvested Option**" means an Option in respect of which the relevant Vesting Conditions have not been satisfied and as such, the Option Grantee has not become eligible to Exercise the Option.

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

xliii) "**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.

xliv) "**Vesting**" means the process by which the eligible Employee becomes entitled to receive the benefit of Grant made to him/her pursuant to the Scheme

xlv) "**Vesting period**" means the period during which the Vesting of the Option granted to the eligible Employee, in pursuance of this ESOP Plan, takes place.

4.2 Except where the context requires otherwise, this ESOP Plan will be interpreted as follows:

i) in this ESOP Plan headings are for convenience only and shall not affect the

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interpretation hereof.

- ii) where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings.
- iii) words importing the singular shall include plural and vice versa.
- iv) reference to Clauses, Articles, Annexures are to clauses, articles, annexures of this ESOP Plan.
- v) words denoting one gender include the other gender.
- vi) any reference in this ESOP Plan to a statutory provision includes that provision and any regulation made in pursuance thereof, as from time to time modified or re-enacted, whether before or after the date of this ESOP Plan.
- vii) 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.

5. Share Pool of the Scheme:

The shareholders of the Company by way of special resolution dated 30th September, 2022 approved the Plan authorizing the Committee to Grant options not exceeding 15% of the Paid up equity Capital of the Company (hereinafter referred to as the "Option Pool Size"), i.e 2,18,250 (Two Lakh Eighteen Thousand Two Hundred and Fifty) options to the eligible Employees in one or more tranches, from time to time, which in aggregate shall be exercisable into not more than 2,18,250 (Two Lakh Eighteen Thousand Two Hundred Fifty) Shares of face value of Rs. 10 each fully paid up. The options issued pursuant to this Scheme shall be convertible into equal number of Equity shares of the Company.

Further, the maximum number of options granted and the shares arise upon exercise of these options shall stand adjusted in case of bonus shares, Consolidation, Split and Re-organisation of capital structure.

6. Creation and Funding of the Trust

The Trust shall hold the Shares, for and on behalf of the eligible Employees, in accordance with the terms and conditions of this ESOP Plan. The Trust has been settled by the Company with a nominal amount of Rs. 5,000/-. The Existing Trustee of the Trust are Ms. Aanchal Bhardwaj, PAN: AUWPB0977H, aged about 31 years, residing at 1/26,

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Jangpura Extension, Jangpura, South Delhi, Delhi-110014 and Mr. Suranjan Upadhyay, PAN: AAHPU1366N, aged 56 years, residing at A-208, Mangal Appartment, Vasundhra Enclave, New Delhi- 110096.

The Trust Deed will provide, inter alia, that the Trust would hold the funds and other assets of the Trust for the benefit of the eligible Employees in accordance with this ESOP Plan from time to time, as may be approved by the Board of Directors and the shareholders of the Company.

6.1 The Trust Deed will authorize the trustees to borrow funds from the Company for the purpose of subscribing to the Shares for the eligible Employees in accordance with applicable provisions of the Act.

6.2 The Trust shall acquire shares by way of fresh allotment from the Company. The trust shall utilize such shares for the purpose of transferring them to the Grantees upon Exercise of the Options under the Scheme.

6.3 All transactions done by the Trust will be at arm's length and with uniform application to all groups of shareholders and no preferential treatment to a particular individual or group of shareholders shall be given, except in those cases as may be specifically approved by the Compensation Committee.

6.4 The trust will keep and maintain proper books of account, records and documents, for the plan so as to explain its transactions and to disclose at any point of time the financial position of the plan and in particular give a true and fair view of the state of affairs of Plan.

6.5 The trustees of a trust, shall not vote in respect of the shares held by such trust, so as to avoid any misuse arising out of exercising such voting rights.

6.6 For the purposes of disclosures to the stock exchange, the shareholding of the trust shall be shown as 'non-promoter and non-public' shareholding.

6.7 The Trust shall transfer the Shares to Grantees in the manner specified by the Committee. The Trustee(s) of the Trust shall administer the transfer of shares to the Grantee as per the directions of the Committee and as stipulated in the scheme.

6.8 For the purpose of acquisition of shares by the said trust, the Trust maybe funded by the Company, either through a loan or any other form of financial assistance permissible under Applicable Laws. The Company shall comply with the provisions of Companies Act,



2013 for administration and implementation of scheme through Trust. Further, the Trust may take loan from banks or any other source under Applicable Laws.

7. ADMINISTRATION

7.1 This ESOP Plan shall be implemented through the Trust under the supervision and guidance of the Compensation Committee and in accordance with the provisions of the Act. The issuance of Shares from the Trust by the Trustees will be under the guidance, advice and direction of the Compensation Committee.

7.2 The Compensation Committee shall in accordance with this plan and applicable laws shall determine the following:

- a) The eligibility criteria for grant of Employee Stock Options to the Employees
- b) The quantum of Employee Stock Options to be granted under this amended ESOP Plan as approved in the Shareholders meeting held on 06th February, 2023.
- c) Terms and conditions in respect of grant to, vest in and exercise of options by the employees.
- d) Approve forms, writings and/or agreements for use in pursuance of ESOP Plan.
- e) The procedure and terms for the grant, vest and exercise of Employee Stock Options in case of employees who are on long leave.
- f) the specific Exercise Period within which the Employee should Exercise the Option and that Option would lapse on failure to Exercise the Option within the Exercise Period;
- g) the specified time period within which the Employee shall Exercise the Vested Option in the event of termination or resignation or other cases of separation of an Employee;
- h) the right of an Employee to Exercise all the Options vested in him at one time or at various points of time within the Exercise Period;
- i) the procedure for making a fair and reasonable adjustment to the number of Option and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the Committee:
 - the number and the price of Option shall be adjusted in a manner such that total value of the Option remains the same after the corporate action; and
 - the Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Option Grantees.
 - the procedure and terms for the Grant, Vesting, and Exercise of Option in case of

Employees who are on long leave;

- the conditions under which Option vested in Employees may lapse in case of termination of employment for misconduct;
- the procedure for cashless Exercise of Option, if required;
- The appraisal process for determining the eligibility of the Employee that will be based on criteria such as the grade of Employee, length of service, performance record, merit of the Employee, future potential contribution by the Employee and/or by any such criteria that may be determined by the Compensation/ Nomination and Remuneration Committee.
- specify the procedure for buy-back of the Employee Stock Options issued under this Scheme, if to be undertaken at any time by the company, and the applicable terms and conditions, including:
 - (i) permissible sources of financing for buy-back;
 - (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and
 - (iii) limits upon quantum of the Employee Stock Options that the company may buy-back in financial year.

7.3 The Compensation Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws, amended from time to time, including Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities Exchange Board of India (Prohibition of Fraudulent Unfair Trade Practices relating to the Securities Market) Regulations, 2003 by the Company, Employees and all concerned, as applicable.

8. Effective Date

8.1 As per the resolution unanimously passed by the Board of Directors at its meeting held on 07th September 2022 and with subsequent modifications and approval by Shareholders in their Extra Ordinary General meeting dated 06th February, 2023, this ESOP Plan shall be deemed to have come into force on and from the date of approval of shareholders in their meeting.

9. Grant of Options

9.1 The Grant of Options shall be offered and made in accordance with the following:

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i) The Compensation Committee shall recognize special category of eligible Employees, based on specific criteria viz. seniority level in the Company, key resource, long-term association with the Company, etc.

ii) Options may be granted to the employees of the Company, as determined by the Compensation Committee at its own discretion. As such, the plan shall be applicable to the Company.

iii) The Grant, under this ESOP Plan shall be made at such price, to such eligible Employees as may be determined by the Compensation Committee as the case may be in accordance with the applicable provisions of the Act and shall also be specified in the Grant. No amount shall be payable by an employee at the time of grant of Options.

iv) The maximum number of Shares/Options to be granted to eligible Employees falling under this ESOP Plan shall be 15% of the issued share capital of the Company i.e. 2,18,250 (Two Lakh Eighteen Thousand Two Hundred and Fifty) options/shares.

v) The Grant shall be in writing and shall specify the number of Options granted, the price payable for exercising the Options, the earlier date on which some or all of the Options and the Shares acquired under the Grant shall be eligible for Vesting, fulfillment of the performance and other conditions, etc, if any, subject to which Vesting shall take place and other terms and conditions thereto.

Any eligible employee who wishes to accept the grant under this Plan must deliver to the Company a duly signed acceptance of the Letter of Grant on or before the specified date as mentioned in the letter of grant and which cannot be more than Sixty (60) days from the date of grant. On receipt by the Company of the signed acceptance, the eligible employees shall become an Options Grantee.

The Shares to be offered pursuant to a Grant under this ESOP Plan shall be from the paid up share capital of the Company.

vi) Options granted to an eligible Employee are not transferable to any other person.

vii) Options granted shall not be transferred, pledged, hypothecated, mortgaged or otherwise alienated in any other manner.



All Shares acquired under this ESOP Plan will rank pari passu with all other Shares of the Company for the time being in issue, save as regards any right attached to any such Shares by reference to a record date prior to the date of allotment.

10. Vesting of Options

10.1 Vesting Plan

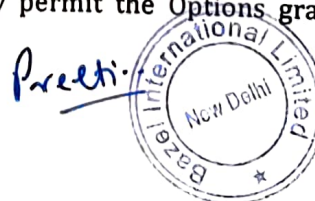
Options granted under ESOP 2022 shall vest as per the schedule given in 10.2. below. Vesting of Option would be subject to continued employment with the Company. As a prerequisite for a valid Vesting, an Option Grantee is required to be in employment or service of the Company on the date of Vesting and must neither be serving his notice for termination of employment/ service, nor be subject to any disciplinary proceedings pending against him on such date of Vesting. In case of any disciplinary proceedings against any Option Grantee, the Committee can keep the relevant Vesting in abeyance until disposal of the proceedings and such Vesting shall be determined accordingly.

10.2 Vesting Period

The Vesting period for the Grant shall in general, unless specifically approved by the Compensation Committee, be as follows:

Year	Vesting % as per Schedule (up till the end of twelve months from the date of allotment of Options)	Vesting Due for shares
1 st Year	30%	65,475
2 nd Year	30%	65,475
3 rd Year	40%	87,300
Total	100%	218250

Notwithstanding anything to the contrary in this ESOP Plan, the Compensation Committee shall be entitled in his absolute discretion, to vary or alter the Vesting Date from Employee to Employee or any class thereof, as he may deems fit. The Compensation Committee in his absolute discretion may permit the Options granted,



which have not Vested to be exercised within such time and on such terms and conditions as he may determine.

10.3 The Vesting schedule and specific Vesting Conditions subject to which Vesting would take place shall be specified in the letter issued to the Option Grantee at the time of Grant.

11. Exercise of Options

11.1 The Vested Options would be eligible to be exercised on the end date of Vesting Period itself or in parts during the Exercise period.

11.2 The options shall be deemed to have been exercised when an Employee make an application in writing to the Trust or by any other means as decided by the Compensation Committee for the transfer of Shares against the Options vested to him.

11.3 Options not exercised within the exercised period as mentioned above shall lapse and the Option Grantee shall have no right over such lapsed options.

11.4 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.

11.5 The amount, if any, payable by the employees, at the time of vesting/exercise of option-

(a) may be forfeited by the company if the option is not exercised by the employees within the exercise period; or

(b) the amount may be refunded to the employees if the options are not vested due to non-fulfillment of conditions relating to vesting of option as per the Employees Stock Option Scheme.

11.6. Exercise Price

(a) The Exercise Price per Option shall be decided by the Compensation Committee but which shall not be lesser than 10% discount to the Market Price w.r.t. the date of Grant.

(b) Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn

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in favor of the Trust or by electronic mode through banking channels such as National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), Immediate Payment Service (IMPS) or in such other manner as the Committee may decide.

(c) No person, other than the eligible Employee to whom the Option is granted, shall be entitled to exercise the Option.

11.7. Exercise Period

(a) Exercise while in employment:

The Exercise Period in respect of an Option shall be subject to a maximum period of **2 (Two)** years from the date of Vesting of Options. The employee can exercise vested options at one time/ various points of time within the exercise period.

(b) Exercise in case of separation from employment:

Separation of Employee includes Separation from the Company by way of resignation, termination, Retirement, death, Incapacity (Permanent/partially) or otherwise by any means. Subject to maximum Exercise Period stated above and subject to Applicable Law, the Vested Options can be exercised as under:

S. No.	Events of separation	Vested Options	Unvested Options
1	Resignation (other than due to misconduct)	All the Vested Options as on the date of submission of resignation shall be exercisable by the Option Grantee on or before his/her last working day in the Company.	All the Unvested Options as on date of submission of resignation shall stand cancelled with effect from date of submission of resignation.
2	Termination (other than due to misconduct/ abandonment)	Options exercised: The vested options exercised by the Employee shall remain valid as per the terms of ESOP policy All the Vested	All the Unvested Options as on date of termination shall stand cancelled with effect from date of such termination.



3	<p>Termination due to misconduct/ abandonment</p>	<p>Options as on the date of submission of resignation shall be exercisable by the Option Grantee on or before his/her last working day in the Company.</p> <p>Option not exercised up till Termination: The Vested Options not exercised as on the date of separation shall stand cancelled.</p>	
4	<p>Retirement</p>	<p>All the Vested Options as on the date of retirement shall be exercisable by the Option Grantee within the period of 30 days from his/ her last working day in the Company.</p>	<p>All Unvested Options on the date of retirement shall stand cancelled with effect from date of retirement.</p>
5	<p>Death</p>	<p>All Vested Options may be exercised by the Option Grantee's nominee or legal heir within a maximum period of 60 days from the date of Vesting of Options.</p>	<p>All the Unvested Options as on date of death shall stand cancelled with effect from date of death.</p>
6	<p>Permanent Incapacity</p>	<p>All the options granted to him as on the date of permanent incapacitation, shall vest in him on that day.</p>	<p>All the Unvested Options as on date of incurring of such Permanent Incapacity shall stand cancelled with effect from date of death.</p>



7	Any other event not specified above	As decided by the Committee and such decision shall be final.	As decided by the Committee and such decision shall be final.
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12. Lock-in

The Shares arising out of Exercise of Vested Options shall be subject to lock in for a period of 3 years from the date of allotment of such Shares under ESOP 2022.

Provided that the Shares allotted on such Exercise cannot be sold for such further period or intermittently as required under the terms of Code of Conduct for Prevention of Insider Trading of the Company framed under Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

13. Exit route in case of de-listing

If the Company gets de-listed from all the recognized Stock Exchanges, then the Committee 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.

14. Restriction on transfer of Options

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

14.2. Options shall not be transferable to any person except in the event of death/ Permanent Incapacity of the Option Grantee, in which case provisions at sub-clause 11.5(b) would apply.

14.3. 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/ Permanent Incapacity of the Option Grantee, in which case provisions at sub-clause 11.5(b) would apply.

15. Rights as a shareholder

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



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

15.3. If the Company issues bonus shares or rights shares, the Option Grantee shall 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 accordingly.

16. Deduction/Recovery of Tax

16.1. 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 made thereunder and/or Income Tax Laws of respective countries as applicable to eligible Employees of the Company.

16.2. The Company shall have the right to deduct from the Employee's salary or recover any tax that is required to be deducted or recovered under the Applicable 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.

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

17. Authority to vary terms

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

17.2. The Committee 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 price of the Shares.



18. Miscellaneous

18.1. Government Regulations

This ESOP 2022 shall be subject to all Applicable Laws, and approvals from government authorities. The Grant and the allotment of Shares under this ESOP 2022 shall also be subject to the Company requiring Employees to comply with all Applicable Laws.

18.2. Inability to obtain authority

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

18.3. Neither the existence of this Plan 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 Plan by being granted an Option on any other occasion.

18.4. The rights granted to an Option Grantee upon the grant of an Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

18.5. The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to exercise an Option in whole or in part.

18.6. General Risks

Participation in the ESOP 2022 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.

18.7. The existence of the ESOP 2022 and the Grants made hereunder shall not in any way affect the right or the power of the Board or the shareholders of the Company to make or authorize any change in the capital structure, including any issue of shares, debt or other securities having any priority or preference with respect to the Shares or the rights thereof or from making any



corporate action which is deemed to be appropriate or in its best interest, whether or not such action would have an adverse effect on the ESOP 2022 or any Grant made under the ESOP 2022. No Employee or other person shall have any claim against the Company as a result of such action.

18.8.Nothing contained in the ESOP 2022 shall be construed to prevent the Company directly or through any trust settled by any company, from implementing any other new scheme for granting stock options and/or share purchase rights, which is deemed by the Company to be appropriate or in its best interest, whether or not such other action would have any adverse impact on the ESOP 2022 or any Grant made under the ESOP 2022. No Employee or other person shall have any claim against the Company and/or trust as a result of such action.

19. Accounting and Disclosures

The Company shall follow the IND AS 102 on 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, in compliance with relevant provisions of SEBI SBEB Regulations.

20. Governing Laws

20.1.The terms and conditions of the ESOP 2022 shall be governed by and construed in accordance with the Applicable Laws of India.

21. Notices

21.1.All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOP 2022 shall be in writing. The communications shall be made by the Company in any one or more of the following ways:

- a) Sending communication(s) to the address of the Option Grantee available in the records of the Company; and/ or
- b) Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; and/ or
- c) 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 in case of cessation of employment at the email address provided by the Option Grantee.

- d) All notices of communication to be given by an Option Grantee to the Company in respect of ESOP 2022 shall be sent to the address mentioned below:

Company Secretary

Bazel International Ltd.

II-B/20, First Floor, Lajpat Nagar, New Delhi – 110024

E-mail: bazelinternational@gmail.com

22. Nomination

An Option Grantee has to nominate a person as his/her nominee. The nominee in case of death or Permanent Incapacity of the Option Grantee shall be the legal representative recognized by the Company as the inheritor of the Option Grantee in respect of all rights and liabilities for the purposes of this Plan.

23. Jurisdiction

23.1. The Courts in Delhi, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP 2022.

23.2. Nothing in this Sub-clause will however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP 2022:

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

24. Listing of the Shares

Subject to the approval of the Stock Exchanges, the Shares issued and allotted on Exercise of the Options shall be listed on the recognized Stock Exchanges on which the Shares of the Company are listed or proposed to be additionally listed.

27. Severability

In the event any one or more of the provisions contained in this ESOP 2022 shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or



unenforceability shall not affect the other provisions of this ESOP 2022, but ESOP 2022 shall be construed as if such invalid, illegal, or unenforceable provision had never been set forth herein, and the ESOP 2022 shall be carried out as nearly as possible according to its original intent and terms.

28. Confidentiality

28.1. An Option Grantee must keep the details of the ESOP 2022 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 Committee shall have the authority to deal with such cases as it may deem fit.

28.2. 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.

29. Structure

An Option Grantee will receive copies of all documents that are sent to the shareholders of the Company. This will include the annual accounts of the Company as well as notices of general meetings and the accompanying explanatory statements and related documents.

30. Certificate from Auditors

After listing, the Board shall at each annual general meeting place before the shareholders a certificate from the Secretarial Auditors of the Company that the Plan has been implemented in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in accordance with the resolution of the Company in the general meeting.



31. General Terms

Listing of the Shares under this ESOP Plan: If the Shares are listed, the Shares of the Company issued under this ESOP Plan to the eligible Employees will be listed in the Stock Exchanges where the Shares are listed.

Liquidation: In the event of liquidation of the Company, all the Options not granted shall automatically lapse.

No Right or Claim: The option Grantee shall not have right to receive any dividend or to vote or in any manner or enjoy the benefits of a shareholder in respect of options granted, till shares underlying such options are issued upon exercise. Nothing in this ESOP Plan shall confer any right or claim in favour of any person for a Grant. Nothing in this ESOP Plan, or any Options granted under this ESOP Plan, shall confer upon the Grantee any right to continue to be an Employee for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company. The Company expressly reserves the right, at any time, to terminate the employment of the Grantee, free of any liability or claim under this ESOP Plan, except as expressly provided in this ESOP Plan. The rights and obligations of any eligible Employee shall not be affected by participation in this ESOP Plan. This ESOP Plan shall not form part of any employment agreement between the Company and the eligible Employee.

Tax Liability: The Grantees and the persons acquiring rights to the Options under this ESOP Plan shall be solely liable for any tax liability arising on account of issue or Grant of Options, Exercise of Options under this ESOP Plan or disposal of any Shares acquired pursuant to this ESOP Plan.

32. Dispute Resolution and Jurisdiction:

This ESOP Plan shall be subject to requisite approvals and registration requirements under applicable laws, rules and regulations. The Company shall not be obliged to issue any Shares under this ESOP Plan unless the issuance of such Shares complies with all laws, rules and regulations applicable to the Company.

Any dispute or differences arising out of or in connection with this ESOP Plan (including the validity or interpretation hereof) shall be settled through arbitration by a sole arbitrator, under the provisions of the Arbitration and Conciliation Act, 1996. The venue



of Arbitration shall be New Delhi.

The Parties submit to the jurisdiction of the Courts of New Delhi.

Applicability of provisions of Memorandum and Articles of Association: This ESOP Plan and the Shares that may be allotted pursuant to this ESOP Plan shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the Act.

Preeti.

A circular blue ink stamp for Preeti International Limited, New Delhi. The text "Preeti." is written in blue ink to the left of the stamp, with a horizontal line extending from the end of the word across the stamp. The stamp itself contains the text "Preeti International Limited" around the top inner edge, "New Delhi" in the center, and a small star at the bottom.