

1. STAR Plan

- 1.1. This Plan shall be termed the Marico Employee Stock Appreciation Rights Plan 2011 (herein referred to as “STAR Plan”).
- 1.2. The STAR Plan has been approved by a resolution passed on March 25, 2011 by the Corporate Governance Committee of the Board of Directors of Marico Limited. The STAR Plan was further modified by the Board of Directors on June 22, 2015 and thereafter approved by the shareholders of the Company on August 5, 2015.
- 1.3. The STAR Plan shall be effective from March 28, 2011 hereinafter referred to as the “Effective Date”.

2. Purpose of the STAR Plan

- 2.1. Marico Limited, (“Company” or “Marico”) a company limited by shares, incorporated and registered under the Companies Act, 1956, having its registered office at 7th Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai 400 098 has structured this STAR Plan for its employees and for the employees of its Indian Entities and employees of its Overseas entities (Marico, together with the Indian Entities and the Overseas Entities are collectively referred to as “Group”).
- 2.2. The purposes of the STAR Plan and various schemes as may be notified under it are as given below:
 - 2.2.1. To promote amongst Members the desired behaviour for meeting long term business objectives of the Group;
 - 2.2.2. To enable retention of desired Members in the Group;
 - 2.2.3. To enable attraction of talent especially to challenging roles; and
 - 2.2.4. To provide a wealth building dimension to the remuneration structure.
- 2.3. These purposes are sought to be achieved through implementation of the STAR Plan and Notified Scheme(s) i.e. by Grant of STARS to the Members of the Group.
- 2.4. The STAR Plan and the schemes notified under it shall be implemented as follows:
 - 2.4.1.1. by Marico for Employees of Marico and of its Indian Entities; and
 - 2.4.1.2. by the respective Overseas Entity for employees of Overseas Entities of Marico.

3. Definitions

- 3.1. In this STAR Plan, except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against.
- 3.2. Unless the context otherwise requires, words denoting the masculine gender shall include the other genders and words denoting the singular shall include the plural and vice versa.
- 3.3. “Acceptance” means the acceptance by the Grantee of the STAR(s) granted to him under the STAR Plan and any Notified Scheme(s) in the manner prescribed therein.
- 3.4. “Acceptance Form” means the form that the Grantee has to submit indicating his acceptance of the STAR(s) granted to him under the STAR Plan and any Notified Scheme(s).

- 3.5. "Applicable Laws" means the laws of India and the laws of other jurisdictions to the extent they do not derogate any laws of India, to the extent applicable to the Group and as amended and modified from time to time.
- 3.6. "Associate Company" means as defined and understood under section 2(6) of the Companies Act.
- 3.7. "Beneficiary" means:
- 3.7.1. the natural person designated by the Participant; or
 - 3.7.2. in the absence of any designation by the Participant:
 - 3.6.2.1 a person who is entitled by the will of the Participant to receive the benefits specified in the STAR Plan; or
 - 3.6.2.2 the legal heirs/nominees of the Participant, if the Participant dies intestate and includes the Participant's executors or administrator if no other beneficiary is designated and able to act under the circumstances; and
 - 3.6.2.3 such other persons as may be added from time to time to the class of beneficiaries by notice in writing and by the nomination form in the exercise of any powers conferred under the STAR Plan or any other agreements forming part thereof.
- 3.8. "Board" means the Board of Directors of the Company, and includes for the purposes of this STAR Plan a duly authorised Committee thereof.
- 3.9. "BSE" means the BSE Ltd.
- 3.10. "Closing Date" means :
- 3.10.1. the last date on which the STAR(s) granted by the Company to a Grantee can be accepted as per the STAR Plan and the Notified Scheme(s); and
 - 3.10.2. In the event such last date is not a working day, then the immediately following working day.
- 3.11. "Closing Market Price" means with reference to the Shares, the simple average of the closing prices of such shares on BSE and NSE.
- 3.12. "Committee" means the Corporate Governance Committee of the Board of Directors of the Company, or such other Committee of the Board as may be, from time to time, duly constituted by the Board of Directors pursuant to the provisions of section 178 of the Companies Act, as amended or modified from time to time for administration and superintendence of the STAR Plan pursuant to the provisions of this STAR Plan.
- 3.13. "Company" means Marico Limited, a company limited by shares, incorporated and registered under the Companies Act, 1956, having its registered office at 7th Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai 400 098.
- 3.14. "Companies Act" means the Companies Act, 2013 (to the extent of the sections thereof that have been notified and in force) and the Companies Act, 1956 (to the extent of the sections thereof that have not been repealed).
- 3.15. "Corporate Action" means and includes rights issues, bonus issues, consolidation, sub-division, merger and sale of division.
- 3.16. "Eligible Employee" means an Employee who is considered eligible to participate in a Notified Scheme;

- 3.16.1. It is clarified that the Committee shall settle all doubts or difficulties relating to any decision as regards the definition of an Eligible Employee.
- 3.17. "Employee" means:
- 3.17.1. a permanent employee of the Company working in or out of India; or
 - 3.17.2. a permanent employee of the Indian Entities or of the Overseas Entities; or
 - 3.17.3. a director of the Company or of Indian Entities or of the Overseas Entities, whether a whole time director or not but excludes an independent director;
- and does not include a permanent employee who has resigned and is serving his notice period;
- 3.18. "Grant" means the act or process by which a Grantee is given STAR(s) under the STAR Plan.
- 3.19. "Grant Date" means the date on which STARs are granted to a Grantee by the Committee under a Notified Scheme;
- 3.20. "Grant Letter" means the communication, such as a letter or an email, by which the Grant of STAR(s) is communicated to the Grantee.
- 3.21. "Grant Price" means the average of Closing Market Price for a period of 22 Working SE Days immediately preceding the Grant date.
- 3.22. "Grant Value" means the Grant Price per Share as multiplied by such number of STAR(s) granted.
- 3.23. "Grantee" means an Eligible Employee to whom grant of STAR(s) has been made by the Board/ Committee.
- 3.24. "Group" means and includes the Company, Indian Entities and Overseas Entities.
- 3.25. "Indian Entities" means and includes the companies incorporated and registered under the Companies Act that are Subsidiary Companies, or the holding company or Associate Companies of the Company.
- 3.26. "Intrinsic Value" means the average of Closing Market Price for a period of 22 Working SE Days immediately preceding the Vesting Date.
- 3.27. "Long Leave" means the continuous period of leave in excess of 90 days in a financial year with the approval of the Company.
- 3.28. "Member" means an Employee.
- 3.29. "Maturity Price" in relation to any STAR(s) granted under STAR Plan
- 3.29.1. in respect of Grantees working in India as on the Vesting Date, means "Price A" or "Price B" or "Price C", as may be applicable.
 - 3.29.2. in respect of Grantees working with Overseas Entities as on the Vesting Date, means the price determined under Clause 3.29.1 hereinabove.
 - 3.29.3. in respect of such STAR(s) maturing on the Vesting Date which correspond to Shares purchased by the Trust under secondary acquisition, "Price A" means the actual average net price realised by the Trust upon selling such Shares on the BSE or the NSE as the case may be within 45 Working SE Days (excluding the trading window closure announced by the Company from time to time) before and/or after the Vesting Date, the average being worked out for all Shares sold taken together; and

- 3.29.4. in respect of such STAR(s) maturing on the Vesting Date which correspond to Shares purchased by the Trust under a secondary acquisition and remain unsold or in respect of such STAR(s) maturing on the Vesting Date for which the Trust has not undertaken any secondary acquisition of Shares, "Price B" means such price as the Committee may decide with reference to the Intrinsic Value of such STAR(s); and
- 3.29.5. where both "Price A" and "Price B" are applicable, Maturity Price shall be "Price C" which shall be the average of "Price A" and "Price B";
- 3.29.6. It is clarified that the Committee shall have the final authority:
 - 3.29.6.1. to decide upon the exact working of such price as it may relate to each Participant and the STAR(s) that he may have been granted; and
 - 3.29.6.2. to decide upon and settle all doubts or difficulties relating to the definition of Maturity Price.
- 3.30. "Maturity Value" means the Maturity Price per Share as multiplied by such number of Vested STAR(s).
- 3.31. "Notified Scheme" or "Scheme" means a Scheme approved and notified by the Committee / Board to be part of the STAR Plan from time to time, and includes any alteration, amendments, additions, deletions, modifications or variations thereof from time to time.
- 3.32. "NSE" means the National Stock Exchange of India Limited.
- 3.33. "Overseas Entities" means and includes all Subsidiary Companies and Associate Companies of the Company incorporated or organized or established or registered outside India.
- 3.34. "Participant" means a Grantee who accepts the Grant of STAR(s) by the Company pursuant to Clause 9 of the STAR Plan.
- 3.35. "Permanent Disability" 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.
- 3.36. "Promoter" means a promoter as defined under the SEBI Regulations.
- 3.37. "Promoter Group" means a promoter group as defined under the SEBI Regulations.
- 3.38. "Relative" means a relative as defined under the SEBI Regulations.
- 3.39. "Retirement" means retirement in accordance with the relevant rules of the Group.
- 3.40. "STAR Plan" means the Marico Limited Employee Stock Appreciation Rights Plan March 2011 and includes:
 - 3.40.1. any alterations, amendments, additions, deletions, modifications, or variations thereof from time to time; and
 - 3.40.2. any Notified Scheme(s).
- 3.41. "STAR Value" means the excess of the Maturity Value over the Grant Value.
- 3.42. "SEBI" means the Securities and Exchange Board of India.
- 3.43. "SEBI Regulations" means the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time, and includes all notifications, circulars and clarifications issued thereunder.

- 3.44. "Share" means an equity share of the Company at a face value of Rupee one (Re. 1).
- 3.45. "Stock Appreciation Right" or "STAR" means a right given to a Participant pursuant to the STAR Plan and the Notified Scheme(s), entitling him to receive appreciation for a specified number of Shares where the settlement of such appreciation will be made by way of cash payment, provided the Participant satisfies the requirements of the STAR Plan and the Notified Scheme(s).
- 3.45.1. A STAR is not a share and it represents no ownership or no other interest in the assets or business of the Group, except the right to receive STAR Value, if any, as described in the STAR Plan and Notified Schemes.
- 3.46. "Subsidiary Company" means as defined and understood under the Companies Act.
- 3.47. "Termination Date" means the date of termination of employment of the Participant with the Group.
- 3.47.1. If the Participant terminates employment with the employing entity of the Group, at the behest of the Group, in order to join another entity within the Group such act will not be regarded as termination of employment of the Participant for the purpose of only this STAR Plan.
- 3.48. "Trust" means such Trust set up by the Company under the Indian Trusts Act, 1882, for the benefit of Employees of the Company as may be notified by the Company for the purposes of STAR Plan or any Notified Scheme;
- 3.49. "Trust Deed" means a deed executed between the Company as the settlor and the Trustees and shall include rules thereunder;
- 3.50. "Trustee" means trustee of the Trust.
- 3.51. "Unvested STAR" means a STAR, which is not a Vested STAR.
- 3.52. "Vested STAR" means a STAR, which has vested, in pursuance to the STAR Plan and relevant Notified Scheme(s) under the STAR Plan, with the Participant and entitles him to receive STAR Value.
- 3.53. "Vesting" means the act or the process by which the Participant or Beneficiary is given the right to receive STAR Value against the STAR(s) granted to him in pursuance of the relevant Notified Scheme under the STAR Plan.
- 3.54. "Vesting Date" means the date on and from which the STAR vests with the Participant.
- 3.55. "Vesting Period" means a period of not exceeding 5 years from the Grant Date, the period at the end of which the Vesting of the STAR(s) granted to the Participant in pursuance of the relevant Notified Scheme under the STAR Plan takes place, subject to the minimum period prescribed under the SEBI Regulations.
- 3.56. "Working SE Days" means the days on which both BSE and NSE work, that is trading in Shares is allowed

4. Construction

- 4.1. The headings/ subheadings/ titles/ subtitles are only for the sake of convenience and shall not be interpreted to restrict or otherwise affect the meaning or import of the clauses, which shall be interpreted solely in light of the contents thereof.
- 4.2. Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.

- 4.3. Any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in visible form.
- 4.4. The term 'including' shall mean 'including without limitation', unless otherwise specified.
- 4.5. In addition to guidance provided by the Committee on specific issues, guidance for understanding and interpreting this STAR Plan shall be as provided in the form of frequently asked questions (FAQs), as amended from time to time. The FAQs shall be issued by the Company with the approval of the Committee.
- 4.6. Reference to any Act, Rules, Statute or Notification shall include any statutory modification, substitution or re-enactment thereof.
- 5. Notification of the Schemes
 - 5.1. The Company / Board / Committee shall notify the Scheme(s) under this STAR Plan.
 - 5.2. The Company/ Board / Committee any time and from time to time, add, amend, alter or revoke any Notified Scheme notified under the STAR Plan, subject to clause 23 of the STAR Plan.
- 6. Eligibility
 - 6.1. Subject to Clause 6.2 of the STAR Plan, all Employees are eligible to participate in the STAR Plan subject to such criteria as may be decided by the Committee at its own discretion, including, but not limited to the grade, the date of joining of the Employee with the Group, performance evaluation, current remuneration, period of service with the Group, industry experience and such other criteria, as the Committee may determine.
 - 6.2. The following shall not be eligible to participate in the STAR Plan:
 - 6.2.1. A Promoter;
 - 6.2.2. Any individual being a member of the Promoter Group;
 - 6.2.3. An independent director; and
 - 6.2.4. A director, who either by himself or through his relative or through any body corporate, directly or indirectly, holds more than 10 (ten) percent of the outstanding equity shares of the Company.
- 7. Administration of the STAR Plan and Schemes notified under the STAR Plan

- 7.1. The STAR Plan and the Notified Scheme(s) shall be administered by the Committee, which shall delegate its duties and powers in whole or in part to the Trust.
- 7.2. The Committee is authorized:
 - 7.2.1. to interpret the STAR Plan and the Notified Scheme(s);
 - 7.2.2. to establish, amend and rescind any rules and regulations relating to the STAR Plan and the Notified Scheme(s) subject to approval of the shareholders by a special resolution in a general meeting; and
 - 7.2.3. to make any other determinations that it deems necessary or desirable for the administration and implementation of the STAR Plan and any Notified Scheme(s).
- 7.3. Any decision of the Board/Committee in the interpretation and administration of the STAR Plan and the Notified Scheme(s), as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Grantee and/or Participants and their Beneficiaries or successors).
- 7.4. The Committee shall, inter alia, do the following:
 - 7.4.1. Adopt rules and regulations for implementing the STAR Plan and any Notified Scheme(s) from time to time;
 - 7.4.2. Identify the Eligible Employees;
 - 7.4.3. Grant STAR(s) to the Eligible Employees and determine the Grant Date under the Notified Scheme(s);
 - 7.4.4. Determine the number of STAR(s) to be granted to each Grantee and in aggregate under any Notified Scheme(s);
 - 7.4.5. Determine the Grant Price and Maturity Price; and authorize their communication;
 - 7.4.6. Determine the conditions under which STAR(s) vested in the Participants may lapse in case of termination of employment for misconduct such as dereliction of duty and breaching the code of employee conduct;
 - 7.4.7. Determine the adjustments to be made and actions to be taken in the event any Participant is transferred from one entity to another within the Group;
 - 7.4.8. Inform the Trust/ Trustees and provide the details of STAR(s) granted to the Eligible Employees under the STAR Plan or Notified Scheme(s);
 - 7.4.8.1. These would include details such as name of Grantees, Number of STAR granted, Grant Date, Vesting Period, and Grant Price.
 - 7.4.8.2. The information would be provided in a reasonable time frame, say 7-10 working days;
 - 7.4.9. Intimate the Trust/ Trustee(s) about the number of the Vested STAR(s) with the Participants with requisite details including number of STAR(s) Vested and name of the Participant;
 - 7.4.10. Provide appropriate additional directions to the Trust/ Trustee(s), as and when required, as per the Applicable Laws, to administer and ensure smooth operation of the STAR(s) Plan and Notified Scheme(s);

- 7.4.11. Determine the procedure for making a fair and reasonable adjustment to the number of STAR(s) or to the STAR Value in case of Corporate Actions;
 - 7.4.12. Determine the Grant and Vesting Date of STAR in case of Participants who are on Long Leave;
 - 7.4.13. Determine the terms and conditions, not inconsistent with the terms of the STAR Plan or any relevant Notified Scheme(s), of any STAR Granted hereunder;
 - 7.4.14. Approve Forms, declarations or agreements for use under the STAR Plan or any Notified Scheme(s);
 - 7.4.15. Decide all other matters that must be determined in connection with a STAR under the STAR Plan or any Notified Scheme(s);
 - 7.4.16. Construe and interpret the terms of the STAR Plan, any Notified Scheme(s) and the STAR Granted pursuant to the STAR Plan or any Notified Scheme(s);
 - 7.4.17. Perform such other functions and duties as shall be required under the Applicable Laws; and
 - 7.4.18. Delegate any of the aforementioned powers to any Members of the Company to be exercised jointly or severally as may be appropriate.
- 7.5. All decisions made by the Committee in the matter referred to above shall be conclusive and binding on all parties concerned (including, but not limited to, Grantees and/ or Participants and their Beneficiaries or successors).
- 7.5.1. Neither the Company nor the Board/Committee, nor the Trust/Trustees shall be liable for any action or determination made in good faith with respect to the STAR Plan or any Notified Scheme(s) or any STAR Granted thereunder.
- 7.6. Under the STAR Plan or any relevant Notified Scheme(s), the Trust through secondary acquisition (i) shall not hold more than 5% (five percent) of the paid up equity share capital of the Company as at the end of the financial year immediately preceding the year in which the shareholder approval is obtained for such secondary acquisition. It is clarified that the aforementioned limit shall automatically include within it the expanded paid up equity share capital of the Company, where such expansion has taken place on account of any Corporate Action by the Company; (ii) shall not acquire in a financial year more than 2% (two percent) of the paid up equity share capital as at the end of the previous financial year; and (iii) shall not acquire, for each Participant, more than 0.5% (zero point five percent) of the paid up equity share capital of the Company during a financial year.

8. Grant of STAR

- 8.1. The Board/Committee may offer the STAR(s) to a Grantee in accordance with the terms and conditions of the Notified Scheme(s) under the STAR Plan for the time being in force.
- 8.2. Each STAR shall correspond to or be in relation to, one Share in the Company.
- 8.3. The Grant of the STAR(s) by the Board/Committee to the Grantee shall be made in writing and communicated to the Grantee.
- 8.4. Such a Grant Letter shall state the number of STAR(s) granted, the Grant Price, the Vesting Date and the Closing Date of accepting the STAR(s) as per the Notified Scheme.
- 8.5. Grant of STAR(s) made under Clause 8.1 above is personal to the Grantee and cannot be transferred in any manner whatsoever.

9. Method of Acceptance

- 9.1. Any Grantee who wishes to accept the Grant made pursuant to Clause 8 above under the Notified Scheme, must deliver an Acceptance Form, prescribed by the Board/Committee, duly completed as required therein to the Board/Committee on or before the Closing Date stated in the Grant Letter.
- 9.2. Any Grantee who fails to return the Acceptance Form on or before the Closing Date shall, unless the Board/Committee determines otherwise, be deemed to have rejected the Grant. Any Acceptance Form received after the Closing Date shall not be valid.
- 9.3. Upon receipt of a duly completed Acceptance Form from the Grantee in respect of the Grant of STAR(s), the Grantee will become a Participant. The Board/Committee may then issue to the Participant a statement, in such form as it deems appropriate, showing the number of STAR(s) to which the Participant is entitled pursuant to the acceptance of such STAR(s).

10. Vesting of STAR

- 10.1. Subject to the terms contained herein, the Acceptance in accordance with Clause 9 of the STAR Plan and the relevant Notified Scheme(s) shall conclude a contract between the Grantee and the Company.
- 10.2. Subject to Participant's continued employment with the Group, and subject to Clause 12 below, the Unvested STAR(s) shall vest with the Participant automatically in accordance with the Notified Scheme(s) under the STAR Plan. Further, in the event a Participant is transferred or deputed to an Entity within the Group prior to the Vesting Date, the terms of the Grant shall continue in case of such transferred or deputed Employee, even after the transfer or deputation.
- 10.3. It is clarified that in lieu of the STAR held by a Participant under a STAR scheme in another company which has merged or amalgamated with the first mentioned company, the period during which the STAR granted by the transferor company held by the employee shall be adjusted against the minimum vesting period under the SEBI Regulations.
- 10.4. No STAR(s) would vest in a Participant, unless the Committee decides otherwise, if the Participant carries on or engages directly or indirectly, whether through partnership or as a shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise any business which competes directly or indirectly with the whole or any part of the Busi-

ness of or any other business carried on by the Group or any activity related to the business carried on by the Group. Upon the occurrence of such an event:

- 10.4.1. Granted STAR(s) shall stand automatically cancelled and forfeited and the contract referred to in Clause 10.1 shall automatically stand terminated without any liability to Group/Committee/Trust/Trustee.
- 10.4.2. Decision of the Committee in this regard shall be final and conclusive and cannot be called in question by the Participant.
- 10.4.3. For the sake of clarity, it is understood that the restriction contained in this Section shall not apply to any investment held as a portfolio investment by the Participant and shall not apply to the Nominee of the Participant.

11. Maturity of STAR

- 11.1. The Vested STAR(s) shall mature as on the Vesting Date, in respect of Eligible Employees, according to the terms and conditions as determined and set forth under the STAR Plan and relevant Notified Scheme(s). Further the Committee / Board may stipulate different Vesting Periods within each of the Notified Scheme for Employees. Provided however that such Vesting Period shall not be less than the minimum vesting period prescribed under the SEBI Regulations. Further, if the Star Value accruing to any Participant is nil, as on the Vesting Date, then the Committee / Board may extend the Vesting Period(s), provided that such change is not detrimental to the interest of the Participant.
- 11.2. Subject to Clause 12.1 of the STAR Plan, the Participant, who is an Employee on the Vesting date, alone is eligible to get the STAR Value of the Vested STAR(s).
- 11.3. Payment of the STAR Value shall take place within reasonable time and at the place designated by the Board/Committee or the Group and by executing such documents as may be required under the Applicable Laws.
- 11.4. Subject to the Clause 11.2 above and Clauses 11.5 and 11.6 below, the Participant will receive STAR Value from the respective employing entity or the Trust or both, subject to deductions, if any, pursuant to Clauses 18 and 25 of the STAR Plan within reasonable time from the Vesting Date.
- 11.5. Upon payment of STAR Value of the Vested STAR(s), such STAR(s) would stand cancelled and cannot be reissued.
- 11.6. Participants, who are employed or working on deputation with an Overseas Entity as on the Vesting Date, shall be paid the STAR Value, to which they are entitled, by such respective Overseas Entity as employs them.
- 11.7. On Permanent Disability of the Participant:
 - 11.7.1. In the event of Permanent Disability, all the STAR(s) granted to him till such date of Permanent Disability and lying unvested, shall immediately vest in him on that day.
 - 11.7.2. STAR Value will be paid in accordance to Clause 11 above to such Participant.

12. Termination of Employment

- 12.1. On death of the Participant:
 - 12.1.1. In the event of death of the Participant while in employment with the Group, subject to the relevant Notified Scheme, all STAR(s) Granted to him till such date and lying unvested shall

immediately vest in the Beneficiary of the deceased Participant on that day.

12.1.2. STAR Value will be paid to the Beneficiary in accordance with Clause 11 of this STAR Plan.

12.2. Termination for cause

12.2.1. In case the termination of employment of a Participant of the Group is for cause (i.e. negligence, fraud, professional misconduct such as dereliction of duty and breaching the code of conduct, moral turpitude etc.), his Unvested STAR(s) shall stand automatically cancelled and forfeited and the contract referred to in Clause 10.1 of the STAR Plan shall stand automatically terminated on the date of the notice of termination of employment, without any liability to Committee/Group/Trust/Trustee. Further, in the event that termination of employment for cause is after vesting of the STAR(s) but before the STAR Value is paid, then such Beneficiary shall no longer be entitled to the STAR value.

12.3. Other terminations

12.3.1. In case the service of the Participant with the Group is terminated for a cause other than specified in Clauses 12.1 and 12.2 of the STAR Plan, all Unvested STAR(s) shall stand automatically cancelled and forfeited and the contract referred to in Clause 10.1 shall automatically stand terminated on the date of the notice of termination of employment without any liability to Committee/Group/Trust/Trustee.

13. Long Leave

13.1. Any Participant on Long Leave on the Vesting Date shall be entitled to the STAR(s) Value.

14. Notices and Correspondence

- 14.1. Any notice required to be given by a Participant to the Company or the Board/Committee or any correspondence to be made between a Participant and the Company or the Board/Committee may be given or made to the Company at the registered office of the Company / its Subsidiary Company or at the address as may be notified by the Company or Board/ Committee in writing, and marked to the attention of the holder of the role that had in the first place issued the Grant letter to the Participant.
- 14.2. Any notice required to be given by the Company or the Board/Committee to a Participant or any correspondence to be made between the Company or the Board/Committee and a Participant shall be given or made by the Company or the Board/Committee on behalf of the Company as the case maybe at the address provided by the Participant in his Acceptance Form.

15. Beneficiary Designation

- 15.1. Each Participant under the Notified Scheme(s) under the STAR Plan may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit under the STAR Plan is to be delivered in case of his death before he receives all of such benefit.
- 15.2. Each such nomination
 - 15.2.1. shall revoke all prior nominations by the same Participant;
 - 15.2.2. shall be in a form prescribed by the Company; and
 - 15.2.3. shall be effective only when filed by the Participant in writing with the Group during the Participant's lifetime.

16. Non-transferability of STAR

- 16.1. Save as provided in Clause 12.1 of the STAR Plan, each STAR granted herein, is personal to the respective Participant.
- 16.2. The STAR cannot be assigned, alienated, pledged, attached, hypothecated, sold, or otherwise transferred or encumbered by the Participant otherwise than by will or by the laws of descent, to the extent permitted under the Applicable Laws, and any purported assignment, alienation, pledge, attachment, sale, transfer, or encumbrance not permitted herein shall be void and unenforceable against the Company.

17. Corporate Action

- 17.1. In the event of a Corporate Action, the Company shall in consultation with the Committee alter the number of STAR(s) or alter the STAR Value or both the number of STAR(s) and the STAR Value, subject to the provisions of the STAR Plan and Applicable Laws.
- 17.2. Further, in case of a Corporate Action, the Committee while determining the procedure for making a fair and reasonable adjustment to the number of STARs or STAR Value shall, *inter alia*, take into consideration the following:
 - 17.2.1. the number and price of the STARs will be adjusted in a manner such that total STAR Value to the Participant remains the same after the Corporate Action; and
 - 17.2.2. the vesting period of the STAR will be left unaltered as far as possible to protect the rights of the Participant who has been granted such STAR.

18. Winding Up

18.1. The Plan and / or the Notified Schemes may be wound by the Company in compliance with SEBI Regulations. In case of winding up of the Plan or the Notified Scheme(s) the excess monies or shares remaining with the Trust after meeting all its obligations, shall be utilised for repayment of outstanding loan(s) along with applicable interest, or by way of distribution to Eligible Employees, as recommended by the Committee.

19. Taxes

19.1. The STAR Value under the STAR Plan shall be subject to all applicable tax and/or withholding tax requirements, if any from time to time, and the respective employing entity or Company or Committee or Trust may withhold such taxes accordingly before disbursing the STAR Value to the Participants.

19.2. Notwithstanding anything contained in the Notified Scheme(s) or any other clauses of the STAR Plan, the payment of STAR Value of the Vested STAR(s) under the Notified Scheme(s) shall be subject to recovery of taxes, if any, that are levied on or payable by the respective employing entity or Company or Trust. The respective employing entity or Company or Trust shall be entitled to recover such taxes from the Participant.

19.3. Notwithstanding anything else contained in this STAR Plan or under the Notified Scheme (s), no STAR Value, as the case may be, shall be issued / disbursed to the Participant or Beneficiary, under the Notified Scheme(s) under the STAR Plan unless appropriate taxes are recovered from the Participant.

20. Jurisdiction

20.1. Any actions taken hereunder shall be governed by and construed in accordance with the laws of India, without regard to the application of the conflicts of laws as may be applicable to the Overseas Entities.

21. Arbitration

- 21.1. In the event of a dispute arising out of or in relation to the provisions of this STAR Plan or any Notified Scheme(s) (including a dispute relating to the construction or performance thereof), the relevant parties shall attempt in the first instance to resolve such dispute through an amicable settlement.
- 21.2. The attempt to bring about an amicable settlement shall be considered to have failed as soon as one of the parties hereto, after reasonable attempts, which attempt shall continue for not more than 30 (thirty) days, gives 10 (ten) days' notice thereof to the other party in writing.
- 21.3. In case of such failure, either party may refer the dispute to a single arbitrator appointed by both the parties and failing such agreement, to three arbitrators, one to be appointed by each party and the third arbitrator to be jointly appointed by the two arbitrators appointed by the parties.
- 21.4. The arbitration proceedings shall be held in Mumbai, India under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof.
- 21.5. The arbitrator(s) shall give a reasoned award in writing. The arbitrator(s) shall also decide on the costs of the arbitration proceedings.
- 21.6. The parties shall submit to the arbitrator's award and the award shall be enforceable in competent court of law at Mumbai.

22. Governing Law

- 22.1. This STAR Plan, all Notified Scheme(s) under the STAR Plan and all agreements thereunder shall be governed by and construed in accordance with the Applicable Laws.
- 22.2. The Participant agrees and acknowledges that the Participant has received and read a copy of the STAR Plan and the relevant Notified Scheme(s).
- 22.3. The STAR(s) are subject to the STAR Plan and the relevant Notified Scheme. Any term of the STAR Plan or any Notified Scheme, that is contrary to the requirement of the Applicable Laws or other Indian regulations shall not apply to the extent it is contrary.

23. Regulatory Approvals

- 23.1. The implementation of the STAR Plan and the relevant Notified Scheme(s), the Granting of any STAR under the relevant Notified Scheme(s) under the STAR Plan and the payment of STAR Value under the relevant Notified Scheme(s) under the STAR Plan shall be subject to the procurement by the Company or respective employing entity and the Participants of all approvals and permits required by any regulatory authorities having jurisdiction over the relevant Notified Scheme(s) and/or the STAR Plan, the STAR(s) granted and the STAR Value paid pursuant thereto.
- 23.2. The Participants under the relevant Notified Scheme(s) under the STAR Plan will, if requested by the Board/Committee or the Trust /Trustee, provide such assurances and representations to the Group or the Board/Committee, as the Board/Committee may deem necessary or desirable to ensure compliance with all the Applicable Laws.

24. Modification of STAR Plan

- 24.1. The Board/Committee/Company, subject to the approval of the shareholders by a special resolution in a general meeting, may at any time and from time to time:

- 24.1.1. Revoke, add to, modify, alter, amend or vary all or any of the terms and conditions of the STAR Plan, any Notified Scheme(s) or all or any of the rights and obligations of the Participants;
- 24.1.2. Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Participants. Each of such sets of special terms and conditions shall be restricted in its application to those Participants; and
- 24.1.3. Formulate separate sets of special terms and conditions in addition to those set out herein, to apply to each class or category of Participants separately and each of such sets of special terms and conditions shall be restricted in its applications to such Participants.

25. Miscellaneous Provisions

- 25.1. The Participant shall have no rights as a shareholder with respect to any of the STAR(s), whether vested or unvested.
- 25.2. This STAR Plan and/or the Notified Scheme(s) shall not form part of any contract of employment between the Group and any Employee eligible as per Clause 6 of this STAR Plan, and the rights and obligations of any such Employee under the terms of his office or employment shall not be affected by his participation in the STAR Plan/Notified Scheme(s) or any right which he may have to participate in it and this STAR Plan/Notified Scheme(s) shall afford such Employee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.
- 25.3. A Grantee shall, before accepting a Grant, obtain all necessary consents that may be required to enable him to accept the Grant and the Company/Trust/respective employing entity to pay STAR Value to him in accordance with the provisions of the Notified Scheme(s) under this STAR Plan. By accepting a Grant, the Grantee / Participant/ Beneficiary thereof is deemed to have represented to the Company or the Committee or the Trust or the respective employing entity that he has obtained all such consents. Compliance with this paragraph shall be a condition precedent to an acceptance of a Grant by a Grantee or payment of STAR Value for the Vested STARS to the Participant/ Beneficiary.
- 25.4. By accepting a Grant, a Grantee expressly acknowledges that the Grant of STAR does not constitute guarantee or continuity of employment and the Company or the respective employing entity shall reserve the right to terminate the employment of Grantee with the Company or the respective employing entity as the case maybe, in accordance with the terms of employment. Grantee shall be deemed irrevocably to have waived any entitlement, by way of compensation for loss of office or otherwise howsoever, to any sum or other benefit to compensate him for loss of any rights under this STAR Plan/the Notified Scheme(s).
- 25.5. This STAR Plan/Notified Scheme(s) shall not confer on any person any legal or equitable rights against the Group or the Board/Committee or the Trust / Trustees directly or indirectly or give rise to any cause of action at law or in equity against the Group or the Board/Committee or the Trust / Trustee.
- 25.6. The Participant shall comply with the provisions of all the Applicable laws as well as any code of conduct or such similar policy, procedure or system formulated or adapted by the Board/Committee and communicated to the Participant from time to time. Any violation of the Applicable Laws or code of conduct may result in cancellation of all Vested STAR (s) and Unvested STAR(s) as well as subject the Participant to disciplinary action at the discretion of the Company.
- 25.7. The Company shall bear the costs of establishing and administering this STAR Plan and all Notified Scheme(s), including any costs of the Company's auditors or any independent financial adviser in relation to the preparation of any confirmation by them or provision of any other service in relation to this

STAR Plan/Notified Scheme(s).

25.8. The Company may at its sole discretion allocate and recover the above costs from its Indian Entities or Overseas Entities from time to time.

25.9. The acceptance of the Grant of STAR(s) is entirely voluntary and the Group or the Board/ Committee or the Trust/Trustee does not guarantee any return on STAR(s).

25.9.1. This STAR Plan and any Notified Scheme(s) under this STAR Plan constitutes the entire document in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter.

26. Set-off

26.1. It is the Company's or the respective employing entity's or the Board/Committee's or the Trust/Trustee's obligation to convey to the Participant that the STAR Value shall be subject to set-off or counterclaim of amounts owed by the Participant to the Company or the respective employing entity or the Board/Committee or the Trust/Trustee, to the extent permitted under the Applicable Laws.

27. Term of the STAR Plan and Scheme notified under the STAR Plan

27.1. The STAR Plan and any Notified Scheme(s) shall continue in effect unless terminated by the Company.

27.2. Any such termination of the STAR Plan or Notified Scheme(s) shall not affect STAR(s) already Granted and such STAR(s) shall remain in full force and effect as if the STAR Plan/ the Notified Scheme(s) had not been terminated unless mutually agreed otherwise between the Participants and the Board/Committee/the Company/the respective employing entity/the Trust/Trustee.

28. Confidentiality

28.1. The Grantee shall maintain as secret and confidential all Confidential Information (as defined herein) and shall not use or divulge or disclose any such Confidential Information except as may be required under any obligation of law (subject to obtaining the consent of the Company) or as may be required by the Company or the respective employing entity.

28.2. The Clause above applies to such information that the Company or the respective employing entity believes in its discretion to be confidential. Consequently, the Grantee understands that "Confidential Information" means and includes information / documents in relation to the STAR Plan or the Notified Scheme(s) save and except for information disclosed to the public with the consent of the Company.

28.3. The Grantee shall not divulge the details of the STAR Plan or any notified Scheme(s) and/or his holdings to any person except with the prior written permission of the Board/Committee unless so required to do under any statutes or regulations applicable to such Grantee.

28.4. In case of failure to comply with this Clause by the Grantee, the Grant or the contract referred to in Clause 10.1 of the STAR Plan, as the case may be, shall, unless the Board/Committee decides otherwise, stand automatically terminated without any liability to the Company/respective employing entity/Committee/Trust/Trustee(s).

29. Severability

29.1. If any of the provisions mentioned in the STAR Plan or any Notified Scheme(s) are determined to be invalid or unenforceable, the remaining provisions shall remain in effect and binding on the parties to

the fullest extent permitted by Applicable Law.