

LAXMI DENTAL LIMITED

Laxmi Dental Stock Option Scheme 2024

("ESOP 2024"/ "Scheme")

Laxmi Dental Limited

CIN: U51507MH2004PLC147394

Registered Office Address: Office No. 103, Akruti Arcade, J.P.Road,
Opposite A.H. Wadia High School, Andheri (West), Mumbai,
Maharashtra, India, 400058



Certified True Copy

Nupur

Nupur Joshi

*Company Secretary and
Compliance officer*

Membership No → 43768

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1. Name, Objectives and Term of the Scheme

1.1 This Employee Stock Option Scheme shall be called the '**Laxmi Dental Employee Stock Option Scheme 2024**' ("**ESOP 2024**" / "**Scheme**").

1.2 The primary objectives of the Scheme are to reward the Employees (*as defined hereinafter*) for their association, dedication and contribution to the goals of the Company (*as defined hereinafter*). The Company intends to use this Scheme to attract, reward and retain the key talents by way of rewarding their performance and motivating them to contribute to overall corporate growth and profitability. The Company views Employee Stock Options ("**Options**") (*as defined hereinafter*) as a long-term incentive tool that would enable the Employees to not only become co-owners, but also to create wealth out of such ownership in future.

1.3 The Scheme is established with effect from **16th August 2024**, on which the shareholders of the Company have approved the Scheme by way of a special resolution and shall continue to be in force until (i) its termination by the Board as per provisions of Applicable Laws, or (ii) the date on which all of the Options available for issuance under the Scheme have been issued and exercised, whichever is earlier.

2. Definitions and Interpretations

2.1 Definitions

- i. "**Applicable Laws**" means every law relating to Employee Stock Options, to the extent applicable, including and without limitation to the Companies Act, all relevant regulations of the Securities and Exchange Board of India particularly in connection with or after Listing, including Securities and Exchange Board of India Act 1992 ("**SEBI**"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**ICDR Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**"), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SBEB Regulations**"), each as amended and enacted from time to time read with all circulars and notifications issued thereunder and all the relevant tax, securities, foreign exchange control or corporate laws or amendments thereof including any circular, notification issued thereunder by regulatory authorities of India or of any relevant jurisdiction or of any Stock Exchange on which the Shares may be listed or quoted.
- ii. "**Associate Company**" shall have the same meaning as defined under section 2(6) of the Companies Act, 2013.
- iii. "**Board**" means the Board of Directors of the Company entrusted with the supervision and administration of the Scheme.

Provided that post Listing, the Nomination and Remuneration Committee of the Board (the "**NRC**"), as constituted or reconstituted from time to time under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and having such powers as specified under the SBEB Regulations read

with powers specified in this Scheme shall act as the Compensation Committee for the purposes of administer and supervise this Scheme.

Provided further that for the purposes of the Regulations, the NRC shall be construed as the Compensation Committee;

Provided further that all references to Board in this Scheme shall be construed to include the NRC upon post listing.

- iv. **"Companies Act"** means the Companies Act, 2013, rules made thereunder, and includes any statutory modifications or re-enactments thereof.
- v. **"Company"** means 'Laxmi Dental Limited', a company incorporated under the provisions of the Companies Act, 1956, bearing CIN: U51507MH2004PLC147394 and having its registered office at Office No. 103, Akruti Arcade, J.P.Road, Opposite A.H. Wadia High School, Andheri (West), Mumbai, Maharashtra, India, 400058.
- vi. **"Company Policies" / "Terms of Employment"** mean the Company's policies for Employees and the terms of employment as contained in the employment letter and the Company handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other Employees and customers.

Company Policies/ Terms of Employment of Holding/Subsidiary Company(ies) as regards an Option Grantee on the payrolls of such Holding/Subsidiary Company(ies) shall be deemed to be "Company Policies/ Terms of Employment" for such Option Grantee.

- vii. **"Director"** means a director on the Board of the Company.
- viii. **"Eligibility Criteria"** means the criteria as may be determined from time to time by the Board for Grant of Options under the Scheme.
- ix. **"Employee"** means:

Before Listing:

- (a) a permanent employee of the Company working in or outside India; or
- (b) a Director of the Company, whether a whole-time director or not;
- (c) an employee as defined clause (a) or (b) of a Subsidiary, in India or outside India, or of a Holding Company of the Company.

but shall exclude:

- (i) an employee who is a Promoter or a person belonging to the Promoter Group; or
- (ii) a Director who either by himself /herself or through his/her relatives or through any body corporate, directly or indirectly, holds more than 10% of the issued and subscribed Shares of the Company; or
- (iii) a Director being an independent director

Provided that post Listing, the term "Employee" shall be defined as below in compliance with

SBEB Regulations.

- (a) an Employee as designated by the Company, who is exclusively working in India or outside India; or
- (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; or
- (c) an employee as defined in sub clause (a) or (b), of a Group Company, including Subsidiary Company or its Associate Company(ies), in India or outside India, or of a Holding Company of the Company.

but does not include-

- (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 10% of the outstanding equity shares of the Company.

- x. **"Employee Stock Option"** means an Option granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the Shares underlying the Option at a pre-determined price in accordance with this Scheme.
- xi. **"Exercise"** of an Option means making of an application by an Employee to the Company for issue of Shares against Vested Options in pursuance of this Scheme.
- xii. **"Exercise Period"** means such time period commencing after Vesting within which the Employee should Exercise the Vested Options.
- xiii. **"Exercise Price"** means the price payable by an Employee upon Exercise of the Vested Options in pursuance of the Scheme.
- xiv. **"Fair Market Value"** means fair market value of a Share of the Company as determined by a registered valuer, as required by Applicable Laws for the time being in force and appointed by the Company from time to time.

Provided that post Listing, the term 'Fair Market Value' shall refer to "Market Price" within the meaning of the SBEB Regulations.

- xv. **"Grant"** means the process by which the Company issues Options to the Employees under the Scheme.
- xvi. **"Grant Date"** means the date of the meeting of the Board in which Grant of Options to the Employees are approved or any such date which may be determined by the Board as the Grant date.

Explanation: For accounting purposes, the Grant Date will be determined in accordance with applicable accounting standards.

- xvii. **"Group" or "Group Company"** means two or more companies which, directly or indirectly, are

in position to-

- i. Exercise twenty-six percent, or more of the voting rights in the other company; or
- ii. Appoint more than fifty percent of the members of the board of directors in the other company; or
- i. Control the management or affairs of the other company.

xviii. **"Holding Company"** shall have the same meaning as defined under Section 2(46) of the Companies Act.

xix. **"Independent Director"** shall have the same meaning assigned to it under Section 149(6) of the Companies Act 2013.

Provided that post Listing, the term Independent Director shall mean a Director within the meaning of Section 149(6) of the Companies Act read with Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

xx. **"Listing"** means listing of the Company's Shares on any recognized Stock Exchange as per the provisions of the Applicable Laws.

xxi. **"Market Price"** means the latest available closing price on the recognized Stock Exchange on which the Shares of the Company are listed on the date immediately prior to the relevant date.

Explanation: In the case of shares listed on more than one recognized Stock Exchange, then the Stock Exchange where the highest trading volume on the said date shall be considered.

xxii. **"Merchant Banker"** shall have the same meaning assigned to it under regulation 2(1)(cb) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, which is registered under Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992).

xxiii. **"Misconduct"** means any of the following acts or omissions by an Option Grantee in addition to any provisions prescribed in the Company Policies/terms of employment amounting to violation or breach of terms of employment as determined by the Board after giving the Employee an opportunity of being heard:

- (i) dishonest statements or acts of an Option Grantee, with respect to the Company;
- (ii) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud committed by the Employee;
- (iii) gross negligence, misconduct or insubordination of the Employee in connection with the performance of his duties and obligations towards the Company;
- (iv) breach by the Employee of any terms of his employment agreement or the Company's policies or other documents or directions of Company;
- (v) participating or abetting a strike in contravention of any law for the time being in force; and
- (vi) misconduct as provided under applicable labour laws after following the principles of natural justice.
- (vii) Any other terms and conditions as notified by the Board from time to time.

- xxiv. **“Option”** means an employee stock option within the meaning of this Scheme.
- xxv. **“Option Grantee”** means an Employee who has been granted an Option in pursuance of the Scheme and having a right but not an obligation to Exercise the Options and shall deem to include nominee/ legal heir of such Option Grantee in case of death of Option Grantee to the extent provisions of the Scheme is applicable.
- 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 Board based on a certificate of a medical expert identified by the Company.
- xxvii. **“Promoter”**: means a person:
- i. who has been named as such in a prospectus or is identified by the Company in the annual return;
 - ii. who has control over the affairs of the Company, directly or indirectly whether as a shareholder, Director or otherwise; or
 - iii. in accordance with whose advice, directions or instructions the Board is accustomed to act:
- Provided that** nothing in Sub-clause (iii) shall apply to a person who is acting merely in a professional capacity.
- Provided further that** upon Listing, the term “Promoter” defined hereinabove shall have meaning as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**ICDR Regulations**”)
- xxviii. **“Promoter Group”** means:
- i. an immediate relative of the Promoter (i.e. spouse of that person, or any parent, brother, sister or child of the person or of the spouse);
 - ii. persons whose Shareholding is aggregated for the purpose of disclosing ‘shareholding of the promoter group’ in the offer document.
- Provided that** upon Listing, the term “Promoter Group” shall have meaning as defined in the ICDR Regulations.
- xxix. **“Retirement”** means retirement or superannuation as per the rules of the Company.
- xxx. **“Secretarial Auditor”** means a company secretary in practice appointed by a company under rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 to conduct secretarial audit pursuant to regulation 24A of the LODR Regulations.
- xxxi. **“Share”** means an equity share of the Company of face value of **Rs. 2 (Rupees Two)** each fully paid-up including the equity shares arising out of the Exercise of Options granted under this Scheme.

- xxxii. **"Stock Exchange"** means the National Stock Exchange of India Limited, BSE Limited, or any other recognized Stock Exchange in India on which the Company's Shares are listed or to be listed in future.
- xxxiii. **"Subsidiary Company"** means any present or future subsidiary company of the Company determined as per provisions of the Companies Act.
- xxxiv. **"Unvested Option"** means an Option in respect of which the relevant Vesting Conditions have not been satisfied and as such, the Option Grantee has not become eligible to Exercise the Option.
- xxxv. **"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.
- xxxvi. **"Vesting"** means process by which the Employee becomes entitled to receive the benefit of a Grant made to him/her under the Scheme.
- xxxvii. **"Vesting Condition"** means the condition(s) prescribed, subject to satisfaction of which, the Options granted would vest in an Option Grantee.
- xxxviii. **"Vesting Period"** means the period during which the Vesting of the Option granted to the Employee, in pursuance of the Scheme takes place.

2.2 Interpretation

In this Scheme, unless the contrary intention appears:

- (a) the clause headings are for ease of reference only and shall not be relevant for interpretation;
- (b) a reference to a clause number is a reference to its sub-clauses;
- (c) words in singular number include the plural and vice versa;
- (d) words importing a gender include any other gender;
- (e) a reference to a schedule includes a reference to any part of that schedule which is incorporated by reference; and
- (f) the terms defined in the Scheme shall for the purposes of this Scheme have the meanings herein specified and terms not defined above shall have the meanings as defined in the Applicable Laws as the context requires. Reference to any act, rules, statute or notification shall include any statutory modifications, substitution or re-enactment thereof.

3. Authority and Ceiling

- 3.1 The shareholders of the Company have vide their special resolution dated 16th August 2024 approved the Scheme authorizing the Board to grant not exceeding **5,00,000 (Five Lakhs)** Options to the eligible Employees in one or more tranches, from time to time, which in aggregate shall be exercisable into not more than **5,00,000 (Five Lakhs)** Shares of the face value of Rs. 2/- (Rupees

Two) each fully paid up, with each such Option conferring a right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided under the Scheme.

- 3.2 The maximum number of Options that may be granted to any Employee in any year and in aggregate shall not exceed **50,000 (Fifty Thousand)** of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant.
- 3.3 If an Option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options pool as mentioned in clause 3.1 above and shall become available for future Grants, subject to compliance with the provisions of the Applicable Laws.
- 3.4 Where Shares are issued consequent upon Exercise of Options under the Scheme, the maximum number of Shares that can be issued under sub-clause 3.1 above shall stand reduced to the extent of such Shares are issued.
- 3.5 In case of a Share split or consolidation, if the revised face value of the Share is less or more than the current face value as prevailing on the date of coming into force of this Scheme, the maximum number of Shares available for being issued under Scheme as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (number of Shares x face value per Share) prior to such Share split or consolidation remains unchanged after such Share split or consolidation.
- 3.6 Prior approval of shareholders in the general meeting shall be obtained in case the Grant of Options to any identified Employee in any financial year is equal to or more than 1% (one percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option.
- 3.7 Post the Listing, the Company shall not make any fresh Grant which involves allotment or transfer of shares to its Employees under the Scheme unless the Scheme is in conformity with the SBEB Regulations and ratified by its shareholders.

4. Administration

- 4.1 The Scheme shall be administered by the Board. All questions of interpretation of the Scheme or any Option granted thereunder shall be determined by the Board and such determination shall be final and binding upon all persons having an interest in the Scheme or in any Option granted thereunder.
- 4.2 The Board shall, in accordance with this Scheme and Applicable Laws, determine the following:
 - (a) The Eligibility Criteria for Grant of Option to the Employees;
 - (b) The quantum of Option to be granted under the Scheme per Employee, subject to the ceiling as specified in Sub-clause 3.1 and 3.2;
 - (c) 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;

- (d) The specified time period within which the Employee shall Exercise the Vested Option in the event of termination or resignation of an Employee;
 - (e) 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;
 - (f) The procedure for making a fair and reasonable adjustment to the number of Option and/or to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, scheme of arrangement, amalgamation, demerger, sale of division and others. In this regard following shall be taken into consideration by the Board:
 - (i) the number and the Exercise Price of Option shall be adjusted in a manner such that total value of the Option remains the same before and after such corporate action; and
 - (ii) 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.
 - (g) The procedure and terms for the Grant, Vesting and Exercise of Option in case of Employees who are on long leave;
 - (h) The conditions under which Option vested in Employees may lapse in case of termination of employment for Misconduct;
 - (i) Determine the procedure for buy-back of Options granted under the 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 Options that the Company may buy-back in a financial year;
 - (j) Formulate suitable policies and procedures to ensure that there is no violation of Applicable Laws, in relation to this Scheme by the Company and the Employees
 - (k) The procedure for funding for Exercise of Options, as permitted under the Applicable Laws; and
 - (l) Approve forms, writings and/or agreements for use in pursuance of the Scheme.
- 4.3 Post Listing, the Board shall frame suitable policies and procedures to ensure that there is no violation of any securities laws including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating To Securities Market) Regulations, 2003 or any statutory modification or re-enactment of these regulations by the Company, Subsidiary, Holding or Associate Company(ies) and any of its Employees, as applicable.

5. Eligibility and Applicability

- 5.1 Only Employees are eligible for being granted Options under the Scheme. The specific Employees

to whom the Options would be granted, and their Eligibility Criteria shall be determined by the Board at its sole discretion.

- 5.2 The Scheme shall be applicable to the Company and any successor company thereof to the extent any of their Employees have been granted Options under the Scheme and apply to each Option Grantee.

Provided that in case of any Grant to the Employees of the Holding/ Subsidiary company(ies), the Company shall obtain prior approval of the shareholders of the Company by way of a special resolution.

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

6. Grant and Acceptance of Grant

6.1 Grant of Options

- (a) Grants contemplated under the Scheme shall be made on such day and month as decided by the Board at its sole discretion.
- (b) Each Grant of Options under the Scheme shall be made in writing by the Company to the eligible Employees by way of Grant letter containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Laws.
- (c) Upon acceptance of the Grant in the manner described above, the Employee henceforth as an Option Grantee, shall be bound by the terms, conditions and restrictions of Scheme and the letter of Grant. The Grantee's acceptance of the Grant of Options under the Scheme within the time period provided, shall constitute an agreement between the Option Grantee and the Company as to the terms of this Scheme and the letter of Grant. No amount would be required to be paid by the Option Grantee at the time of Grant.

6.2 Acceptance of the Grant

- (a) Any eligible Employee who wishes to accept the Grant made under this Scheme must deliver to the Company a duly signed acceptance of the letter of the Grant on or before the date ("**Closing Date**") which shall not be more than **30 days** from the date of Grant, as specified in the letter of Grant. On receipt by the Company of the signed acceptance, the eligible Employee will become an Option Grantee.
- (b) Any eligible Employee who fails to deliver the signed acceptance of the letter of Grant on or before the Closing Date stated above, shall be deemed to have rejected the Grant unless the Board determines otherwise.

7. Vesting Schedule / Vesting Conditions

- 7.1 Options granted under the Scheme shall vest not earlier than the minimum Vesting Period of **1 (One) year** and not later than maximum Vesting Period of **4 (Four) years** from the date of Grant. The

Board at its discretion may grant Options specifying Vesting Period ranging from minimum and maximum period as afore stated.

Provided that in the event of death or Permanent Incapacity of an Employee, the minimum Vesting Period of 1 (One) year shall not be applicable and in such instances, all the Unvested Options shall vest with effect from date of the death or Permanent Incapacity, as the case may be.

Provided further that in case where Options are granted by the Company under the Scheme in lieu of Options held by a person under a similar Scheme in another company ("**Transferor Company**") which has merged or amalgamated with the Company, the period during which the Options granted by the Transferor Company were held by him shall be adjusted against the minimum Vesting Period required under this Sub-clause.

7.2 Vesting of Option would be subject to Option Grantee continuing to be an Employee as on the date of Vesting and thus the Options would vest essentially on passage of time and achievement of Vesting Conditions, if any. An Option Grantee who has tendered his/her resignation and is serving the notice period after resignation, such notice period shall not be considered for Vesting and all the Unvested Options as on date of resignation shall be cancelled forthwith.

7.3 As a prerequisite for a valid Vesting, an Option Grantee must not be subject to any disciplinary proceedings pending against him on such date of Vesting. In case of any such disciplinary proceedings against any Option Grantee, the relevant Vesting shall be kept in abeyance until disposal of the proceedings. In case of reinstatement, Vesting shall happen as if there was no abeyance. In case of termination from employment/ service, the provisions of serial number 2 in the table given in Sub-clause 8.2 of the Scheme shall apply.

7.4 The Vesting dates, Vesting Schedule and Vesting Condition in respect of the Options granted under the Scheme shall be determined by the Board and may vary from an Employee to Employee or any class thereof and / or in respect of the number or percentage of Options to be Vested and would be outlined in the letter of Grant.

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

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

8. Exercise

8.1 **Exercise Price**

a) The Exercise Price per Option shall be decided by the Board and shall not be less than the face value and not be more than the Fair Market Value of the Shares of the Company as on date of Grant of such Option. The specific Exercise Price shall be intimated to the Option Grantee in the Grant Letter issued at the time of Grant.

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

in favour of the Company or in such other manner as the Board may decide from time to time.

8.2 Exercise Period

(a) Exercise while in employment/ service:

The Exercise Period in respect of a Vested Option shall be subject to a maximum period of 4 **(Four) years** commencing from the relevant date of Vesting of Options, or such other shorter period as may be prescribed by the Board at time of Grant. All the Vested Options can be exercised by the Option Grantee at one time or at various points of time within the Exercise Period.

(b) Exercise Period in case of separation from employment / service:

Exercisability of Vested Options shall be as under:

S. No.	Events of Separation	Vested Options	Unvested Options
1	Resignation / termination (other than due to Misconduct)	All the Vested Options as on date of submission of resignation / termination shall be exercisable by the Option Grantee on the last working day with the Company.	All the Unvested Options as on date of submission of resignation/ termination shall lapse and stand cancelled with effect from date such resignation/ termination.
2	Termination due to Misconduct	All the Vested Options at the time of such termination shall stand cancelled with effect from the date of such termination.	All the Unvested Options at the time of such termination shall lapse and stand cancelled with effect from the date of such termination.
3	Retirement	All the Vested Options as on date of Retirement shall be exercisable by the Option Grantee within 6 (Six) months from the date of Retirement.	All Unvested Options as on the date of Retirement would continue to vest in accordance with the original vesting schedules even after the Retirement unless otherwise determined by the Board in accordance with the Company's Policies, if any, and provisions of the then prevailing Applicable Law. Such aforesaid Vested Options can be exercised within a

S. No.	Events of Separation	Vested Options	Unvested Options
			period of 6 (Six) months from the date of Retirement or Vesting, whichever is later.
4	Death	All the Vested Options as on the date of death of the Option Grantee can be exercised by the his/her nominee or legal heirs within an Exercise Period of 12 (Twelve) months from the date of death.	All the Unvested Options as on date of death of the Option Grantee shall vest immediately and such Vested Options may be exercised in the manner specified for Vested Options.
5	Permanent Incapacity	All the Vested Options as on date of incurring of such incapacity can be exercised within an Exercise Period of 12 (Twelve) months from the date of incurring such incapacity.	All the Unvested Options as on date incurring such incapacity shall vest immediately and such Vested Options may be exercised in the manner specified for Vested Options.
7	Other reasons apart from those mentioned above	The Board shall decide whether the Vested Options which are not exercised as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All the Unvested Options as on the date of separation shall lapse and stand cancelled with effect from such date unless otherwise required under Applicable Laws.

8.3 **Exercise in case of transfer of employment/ service**

In the event of transfer of an Option Grantee from the Company to any of its Holding, Subsidiaries, Associates Company(ies), the Vested Options as on the date of transfer, shall be capable of being exercised as if the employment/ service of the Option Grantee is being continued and in case of Unvested Options, such Options shall continue to vest as per the original schedule and be exercised accordingly, subject to the compliance of the Applicable Laws.

8.4 The Options shall be deemed to be exercised when an Option Grantee makes an application in writing to the Company or by any other means as decided by the Board, for the issue of Shares against the Options Vested in him, subject to payment of Exercise Price, applicable taxes and compliance of other requisite conditions of Exercise.

8.5 The Options not exercised within the prescribed Exercise Period shall lapse and the Option Grantee shall have no right over such lapsed or cancelled Options.

9. Lapse of Options

The Options not exercised within the respective Exercise Period prescribed in Sub-clauses of Clause 8.2 above shall lapse and be deemed to be cancelled on expiry of such Exercise Period. The Option Grantee shall have no right or recourse over such lapsed/ cancelled Options.

10. Lock-in

The Shares issued upon Exercise shall not be subject to any lock-in period restriction after such issue except as required under the Applicable Laws including that and after Listing under the ICDR Regulations, or code of conduct framed, if any, by the Company, and under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

11. Restriction on transfer of Options

11.1 Options shall not be directly or indirectly pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

11.2 Options shall not be directly or indirectly transferable to any person except in the event of death of the Option Grantee, in which case provisions at sub-clause 8.2(b) would apply.

11.3 No person other than the Employee to whom the Option is granted shall be entitled to Exercise the Option except in the event of the death of the Option Grantee in which case provisions of Sub-clause 8.2(b) would apply.

12. Other Terms and Conditions

12.1 Listing of Shares

In case of Listing, the Board is authorized to do such acts, deeds and things including but not limited to amendment of this Scheme to make the Scheme compliant with any Applicable Laws prevailing at that time.

12.2 The Option Grantee shall not have a right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of Options granted, till the time Shares are issued to them upon Exercise of such Options.

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

12.4 If the Company issues bonus or rights Shares, the Option Grantee will not be eligible for the bonus or rights Shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with Sub-clause 4.2(f) of the Scheme.

13. Deduction / recovery of Tax

13.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this Scheme and the

Shares issued pursuant to Exercise thereof shall be entirely on Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder and/or Income Tax Laws of respective countries as applicable to eligible Option Grantees working abroad, if any.

13.2 The Company shall have the right to deduct from the Option Grantee'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.

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

14. Authority to vary terms

14.1 The Company may by special resolution of its shareholders vary the terms of the Scheme for Options granted but not yet exercised by the Option Grantees if such variation is not prejudicial to the interests of the Employees. The Board may, if it deems necessary, vary the terms of this Scheme, to meet any regulatory requirements and subject to compliance with the Applicable Laws.

14.2 The Company may re-price the Options, which are not exercised, whether or not they have been vested, if the Scheme is rendered unattractive due to a fall in the price of the shares in the stock market.

Provided that post Listing, the Company shall be entitled to vary the terms of the Scheme in accordance with Applicable Laws.

14.3 The Company may also re-price the Options which are not exercised, whether or not they have vested, if the Scheme is rendered unattractive due to a fall in the value of the Shares, provided that the Company shall ensure that such re-pricing shall not be detrimental to the interest of the Option Grantee and approval of the shareholders by way of a special resolution has been obtained for such re-pricing.

15. Miscellaneous

15.1 Government Regulations

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

15.2 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 of any and all liability in respect of the failure to issue or sell such Shares.

- 15.3 Neither the existence of this Scheme nor the fact that an Employee has on any occasion been granted an Option shall give such Employee any right, entitlement or expectation that the Employee has, or will in the future, have any such right, entitlement or expectation to participate in this Scheme by being granted an Option on any other occasion.
- 15.4 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).
- 15.5 The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to exercise an Option in whole or in part.
- 15.6 Participation in Scheme shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the market price of the Shares and the risks associated with the investments are that of the Option Grantee alone.

16. Notices

- 16.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this Scheme shall be in writing. The communications shall be made by the Company in any one or more of the following ways:
- (i) Sending communications to the address of the Option Grantee available in the records of the Company; and/or
 - (ii) Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; and/or
 - (iii) Emailing the communication(s) to the Option Grantee at the official email address provided, if any, during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.
- 16.2 Any notices of communication to be given by an Option Grantee to the Company in respect of Scheme shall be sent at the address mentioned below or e-mailed at:

Dharmesh Dattani

Chief Financial Officer

Laxmi Dental Limited: Office No. 103, Akruti Arcade, J.P.Road, Opposite A.H. Wadia High School, Andheri (West), Mumbai, Maharashtra, India, 400058

Email: dharmesh@laxmidental.com

17. Nomination

The Employee has to nominate a person as his nominee. The nominee in case of death or permanent incapacity of Employee shall be the legal representative recognized by the Company as the inheritor

of the Employee in respect of all rights and liabilities for the purposes of this Scheme.

18. Accounting and Disclosures

18.1 The Company shall follow the requirements including the disclosure requirements and Ind-AS 102 on Share Based Payments and/or and/ or any relevant accounting standards as may be prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 or any other appropriate authority, from time to time, including any guidance note on Accounting for employee share-based payments issued in that regard from time to time and the disclosure requirements prescribed

18.2 After Listing, the Company shall comply with the accounting and disclosure requirements as prescribed under Regulation 14 and 15 of the SBEB Regulations.

19. Certificate from Secretarial Auditors

Upon Listing, the Board shall at each annual general meeting place before the shareholders a certificate from the Secretarial Auditors of the Company that the Scheme has been implemented in accordance with the SBEB Regulations and in accordance with the resolution of the Company in the general meeting.

20. Governing Laws and jurisdiction

20.1 The terms and conditions of the Scheme shall be governed by and construed in accordance with the Applicable Laws of India including the Income tax laws and Foreign exchange laws as mentioned below.

20.2 Income Tax Laws

The provisions of the Income Tax Act, 1961 and Rules made thereunder as amended and enacted from time to time shall be applicable in respect of taxability of Employees and the Company arising out of any transaction in the Options.

20.3 Foreign Exchange Laws

In case any Options are granted to any Employee being resident outside India belonging to the Company, the provisions of the Foreign Exchange Management Act, 1999 and Rules or Regulations made thereunder as amended and enacted from time to time shall be applicable and the Company has to comply with such requirements as prescribed in connection with grant, vest, exercise of Employee Stock Options and allotment of Shares thereof. Any loss occurred on account of fluctuations in the foreign exchange rate will be solely borne by the Option Grantee.

21. Jurisdiction

21.1 The Courts in Mumbai, Maharashtra shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this Scheme.

21.2 Nothing in this Sub-clause will however limit the right of the Company to bring proceedings against any Employee in connection with this Scheme:

(i) in any other court of competent jurisdiction; or

(ii) con-currently in more than one jurisdiction.

22. Severability

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

23. Confidentiality

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

23.2 On acceptance of the Grant of Option offered by the Company, it shall be deemed that as if the Option Grantee has authorized the Company to disclose information relating to the Option Grantee during the process of implementation of the Scheme 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.



Certified True Copy

Nupur

Nupur Joshi

*Company Secretary and
Compliance officer*

Membership No → 43768