



Sterlite Electric Limited (formerly Sterlite Power Transmission Limited) Restricted Stock Unit Scheme 2022

STERLITE ELECTRIC LIMITED

5th Floor, RMZ Infinity, Plot No. 15, Udyog Vihar – IV, Gurugram - 122015, Haryana, India

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1. Name, Objectives and Term of the Scheme

- 1.1 This Restricted Stock Unit Scheme shall be called the ‘Sterlite Electric Limited Restricted Stock Unit Scheme 2022’ (“**RSU 2022**” / “**Scheme**”).
- 1.2 The objectives of the Scheme is to attract, reward and retain talented and key eligible employees of the Company and align them with the Company’s objectives. The Company views Restricted Stock Units as instruments that would enable the Employees to be co-owners and get a share in the value they would create in the Company and contribute to the Company goals in the years to come, thereby increasing the shareholders’ value.
- 1.3 Subject to the approval of the shareholders*, RSU 2022 is established with effect from June 1, 2022 and shall continue to be in force until (i) its termination by the Board/ Nomination and Remuneration Committee in due compliance with the provisions of Applicable Laws; or (ii) the date on which all of the Restricted Stock Units available for Grant under the RSU 2022 have been granted and exercised, whichever is earlier. The Scheme has further been amended by the Board and shareholders *vide* resolutions dated September 2, 2025 and September 26, 2025 respectively.

[The shareholder approval for RSU Plan 2022 was obtained vide special resolution dated 6th July 2022]*

2. Definitions and Interpretations

In this Scheme, unless the context clearly indicates a contrary intention, the following words or expressions shall have the meaning assigned herein:

2.1 Definitions

- i. “**Abandonment**” means absence of an Employee from work without a reasonable excuse for an unreasonable period of time without having communicated to the Company on such absence.
- ii. “**Acceptance Form**” means the form that the RSU Grantee has to submit indicating his/ her acceptance of the Grant made to him/her to participate in the Scheme.
- iii. “**Applicable Laws**” means every law relating to equity-based compensation plan/ Restricted Stock Units, to the extent applicable, including and without limitation to the Companies Act, Securities and Exchange Board of India Act, 1992, SEBI SBEB & SE Regulations, SEBI LODR Regulations, SEBI ICDR Regulations (as and when applicable) and all relevant tax, securities, exchange control or corporate laws or amendments thereof including any circular, notification issued thereunder, of India or of any relevant jurisdiction or of any Recognized Stock Exchange on which the Shares are listed or quoted.
- iv. “**Associate Company**” shall have the same meaning as defined under the Companies Act.
- v. “**Board**” means the Board of Directors of the Company.
- vi. “**Cause**” means any of the acts or omissions by an RSU Grantee in addition to any provisions prescribed in the Company Policies/ Terms of Employment amounting to violation or breach of terms of employment determined as per procedures of the Company.
- vii. “**Change in Capital Structure**” means a change in the capital structure of the Company as a result of re-classification of Shares, sub-division of Shares, 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 Share issuance.

viii. **“RSU Management Committee”** prior to Listing, means a duly empowered committee of the management of the Company as formed under the Scheme for supervising and executing the scheme, with the constitution of the following members:

- (a) Managing Director
- (b) Chief Human Resources Officer
- (c) CFO / Executive Director Finance of the Company

Post Listing, it shall mean the Nomination and Remuneration Committee of the Company, who will be duly empowered to supervise and administer the Scheme.

ix. **“Companies Act”** means the Companies Act, 2013 and rules made thereunder and includes any statutory modifications or re-enactments thereof.

x. **“Company”** means Sterlite Electric Limited, a company incorporated under the provisions of the Companies Act, 1956 with CIN: U74120PN2015PLC156643 and currently having its corporate office at

5th Floor, RMZ Infinity, Plot No. 15,
Udyog Vihar Phase - IV,
Sector-18, Gurugram - 122015 ,
Haryana, India

and where the context so requires, the term ‘Company’ shall include the Group Company (including Holding Company, Subsidiary Company, Associate Company).

xi. **“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’s policies in force from time to time, which include but are not restricted to provisions for securing confidentiality and non-poaching of customers, as may be applicable.

xii. **“Corporate Action”** means, any one or more of the following events:

- a) The merger, de-merger, spin-off, acquisition, consolidation, amalgamation, sale of business, dissolution or other reorganization of the Company in which the Shares are converted into or exchanged for:
 - (i) A different class of Securities of the Company; or
 - (ii) Any Securities of any other issuer; or
 - (iii) Cash; or
 - (iv) Other property.
- b) The sale, lease or exchange of all or substantially all of the assets or undertaking of the Company;
- c) The adoption by the shareholders of the Company of a scheme of liquidation, dissolution or winding up;
- d) Rights issue and bonus issue;
- e) Split and consolidation of the share capital;
- f) Acquisition (other than acquisition pursuant to any other sub-clause of this clause) by any company, person, entity or group of a Controlling Stake in the Company. For this purpose ‘Controlling Stake’ shall mean more than 50% of the voting share capital of the Company; and
- g) Any other event, which in the opinion of the Board / Nomination and Remuneration Committee has a material impact on the business of the Company.

xiii. **“Director”** means a member of the Board of the Company.

xiv. **“Eligibility Criteria”** means the criteria as may be determined from time to time by the **RSU Management Committee** for granting the Restricted Stock Units to the Employees.

- xv. **“Employee”** means
Prior to Listing:
(i) a permanent employee of the Company working in or out of India; or (ii) a whole-time or executive Director of the Company including the Managing Director (iii) an employee, as defined in sub-clauses (i) or (ii) above, of a Subsidiary Company, in or outside India, or of a Holding Company of the Company, but excludes:
a) an Independent Director;
b) Any such Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company; and
c) Promoters and persons belonging to Promoter Group.
Post Listing:
(i) an employee designated by the Company, who is exclusively working in India or outside India; (ii) a Director of the Company, whether a whole time Director or not, including a non-executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or (iii) an employee as defined in sub-clause (i) or (ii) above, of a Group company including Subsidiary or its Associate Company, in India or outside India, or of a Holding Company of the Company, but excludes:
a) an employee who is a Promoter or a person belonging to the Promoter Group; or
b) 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.
- xvi. **“Exercise”** of an RSU means expression of an intention by an Employee to the Company to subscribe the Shares underlying the RSUs vested in him, in pursuance of the RSU 2022, in accordance with the procedure laid down by the Company for Exercise of such RSUs.
- xvii. **“Exercise Period”** means such time period after Vesting within which the Employee should exercise the RSUs vested in him in pursuance of the RSU 2022. A special exercise window may be opened by the **RSU Management Committee** in case of an external liquidity event.
- xviii. **“Exercise Price”** means the price approved by Nomination and Remuneration Committee being payable by an Employee in order to exercise the RSUs granted to him in pursuance of the RSU 2022 subject to Applicable Laws. Provided that post Listing, the Exercise Price shall be in compliance with the accounting standards as specified under the SEBI SBEB & SE Regulations, including any ‘Guidance Note on Accounting for employee share-based Payments’ issued in that regard, from time to time.
- xix. **“Grant”** means issue of RSUs to the Employees under the RSU 2022.
- xx. **“Grant Date”** means the date with effect from which Grant is approved by the Nomination and Remuneration Committee.
- xxi. **“Grant Letter”** means the letter issued by the Company intimating the eligible Employee of the RSUs granted to them entitling to subscribe specified number of Shares on payment of Exercise Price subject to satisfaction of prescribed terms and conditions.
- xxii. **“Group Company”** means 2 or more companies which, directly or indirectly, are in position to: (i) Exercise 26%, or more of the voting rights in the other company; or (ii) appoint more than 50% of the members of the board of directors in the other company; or (iii) control the management or affairs of the other company.
- xxiii. **“Holding Company”** means any present or future holding Company of the Company, as per the provisions of the Companies Act.
- xxiv. **“Independent Director”** means an Independent Director within the meaning of the

Companies Act and/or SEBI LODR Regulations (as may be applicable).

- xxv. **“Listing”** means listing of the Shares on any Recognized Stock Exchange.
- xxvi. **“Nomination and Remuneration Committee”** means the Nomination and Remuneration Committee of the Board, as constituted, or reconstituted from time to time under section 178 of the Companies Act. Provided that post Listing, it means the Nomination & Remuneration Committee which is set up in compliance with Regulation 19 of the SEBI LODR Regulations as amended from time to time and have such powers as specified under this Scheme and the SEBI SBEB & SE Regulations.
- xxvii. **“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 based on a certificate of a medical expert and in accordance with Applicable Laws.
- xxviii. **“Promoter”** means the same meaning assigned to it under the SEBI ICDR Regulations.
- xxix. **“Promoter Group”** means the same meaning assigned to it under the SEBI ICDR Regulations.
- xxx. **“Restricted Stock Unit” or “RSU”** 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, a unit of the stock /shares of the company at a pre-determined price, which is the subject matter of the Grant issued to RSU Grantee under the Scheme.
- xxxi. **“RSU 2022”** means the Restricted Stock Unit Scheme 2022 under which the Company is authorized to grant Restricted Stock Units to the Employees.
- xxxii. **“RSU Grantee”** means an Employee who has been granted a Restricted Stock Unit in pursuance of the RSU 2022.
- xxxiii. **“Recognized Stock Exchange”** means the National Stock Exchange of India Limited, BSE Limited, or any other recognized stock exchange(s) on which the Shares are listed.
- xxxiv. **“Retirement”** means retirement as per the rules of the Company.
- xxxv. **“SEBI ICDR Regulations”** means the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
- xxxvi. **“SEBI LODR Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- xxxvii. **“SEBI SBEB & SE Regulations”** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended and reenacted from time to time and includes any clarifications or circulars issued thereunder.
- xxxviii. **“Scheme”** means RSU 2022 as herein defined.
- xxxix. **“Shares”** means equity shares of the Company having face value of Rs. 2 each and arising out of the Exercise of Restricted Stock Units granted under RSU 2022.
- xl. **“Subsidiary Company”** means any present or future subsidiary of the Company, as per the provisions of Applicable Laws.
- xli. **“Unvested RSU”** means an RSU in respect of which the relevant Vesting Conditions have not been satisfied and as such, the RSU Grantee has not become eligible to exercise the RSU.

- xl.ii. **“Vested RSU”** means an RSU in respect of which the relevant Vesting Conditions have been satisfied and the RSU Grantee has become eligible to exercise the RSU subject to fulfillment of Exercise conditions.
- xl.iii. **“Vesting” or “Vest”** means earning by the RSU Grantee, of the right to Exercise the RSUs granted to him in pursuance of the RSU 2022.
- xl.iv. **“Vesting Condition”** means the condition prescribed if any subject to satisfaction of which the RSUs granted would vest in an RSU Grantee.
- xl.v. **“Vesting Period”** means the period during which the Vesting of the RSU granted to the Employee, in pursuance of the RSU 2022 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 to interpretation;
- b) a reference to a clause number is a reference to its sub-clauses;
- c) words in singular number include the plural and vice versa;
- d) words importing a gender include any other gender; and
- e) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.

Words and expressions used and not defined here but defined in the SEBI SBEB & SE Regulations, Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the SEBI ICDR Regulations 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.

3. Applicability

The Scheme shall be governed by the provisions of the Companies Act, 2013 and the relevant Rules made thereunder. Provided post listing of equity shares of the Company on the recognized stock exchange, the Scheme shall be governed by Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

4. Authority and Ceiling

- 4.1 Subject to the approval of the shareholders by way of a special resolution*, the Board of Directors and the Nomination and Remuneration Committee of the Company, pursuant to resolutions both dated May 20, 2022, have authorized RSU Management Committee to issue to the Employees, such number of RSUs under RSU 2022, in one or more tranches and on such terms and conditions, as may be determined by the RSU Management Committee in accordance with the provisions of this Scheme and in due compliance with all other Applicable Laws. The RSUs to be granted, from time to time, and in aggregate shall be subject to availability of Shares reserved vide the aforesaid special resolution. The aggregate number of equity shares upon Exercise of all RSUs under this Scheme, shall not exceed **6,11,819 (Six Lacs Eleven Thousand Eight Hundred & Nineteen)** equity shares of face value of Rs. 2, each fully paid up, of the Company.** The aggregate number of RSUs that may be granted in aggregate shall be 12,23,638 and per employee shall be 12,23,638.

[The shareholder approval for RSU Plan 2022 was obtained vide special resolution dated 6th July 2022]*

*[** Pursuant to the bonus issuance dated 26th September, 2022, the aggregate number of RSUs stands increased from 6,11,819 to 12,23,638 equity shares of face value Rs. 2 each. Accordingly, total number of RSUs that can be granted under the RSU 2022 shall be 12,23,638 units.]*

- 4.2 The maximum number of RSUs that may be offered under the RSU 2022 per Employee and in aggregate whether in any one or more financial year(s), shall be less than or equals to 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company determined as on the date of approval of the RSU 2022 Scheme, by the shareholders by way of a special resolution. Subject to this ceiling, the **RSU Management Committee** is vested with the rights to decide the number of RSUs to be granted and the maximum number of RSUs that can be granted to each Employee.
 - 4.3 If an RSU expires or becomes un-exercisable due to any other reason, it shall become available for future Grants, subject to compliance with all Applicable Laws.
 - 4.4 Where Shares are issued consequent upon Exercise of RSUs, the maximum number of Shares that can be issued under RSU 2022 as referred to in Sub-clause 3.1 above will stand reduced to the extent of such Shares issued.
 - 4.5 In case of a Share split where the face value of the Shares is reduced below Rs. 2, the maximum number of Shares available for being granted under RSU 2022 shall stand modified accordingly, so as to ensure that the cumulative face value (No. of shares X Face value per Share) prior to such split remains unchanged after the share split. Thus, for instance, if the face value of each Share is reduced to Rs. 1, the total number of Shares available under RSU 2022 would be ceiling specified in Sub-clause 3.1 x 2 number of Shares of Rs. 1 each.
 - 4.6 In case of a Share consolidation where the face value of the Shares is increased above Rs.2, the maximum number of Shares available for being granted under RSU 2022 shall stand modified accordingly, so as to ensure that the cumulative face value (No. of shares X Face value per Share) prior to such consolidation remains unchanged after the share consolidation. Thus, for instance, if the face value of each Share is increased to Rs. 4, the total number of Shares available under RSU 2022 would be ceiling specified in clause 3.1 ÷ 2 number of Shares of Rs. 4 each.
- 5. Administration**
- 5.1 Prior to Listing, the RSU 2022 shall be administered by the **RSU Management Committee**. All questions of interpretation of the RSU 2022 shall be determined by the **RSU Management Committee** and such determination shall be final and binding upon all persons having an interest in the RSU 2022. However, post Listing, the RSU 2022 shall be administered by Nomination and Remuneration Committee and all questions of interpretation of the RSU 2022 shall be determined by Nomination and Remuneration Committee, in accordance with the Applicable Laws.
 - 5.2 The administration of RSU 2022 shall include, but not be limited to determination of the following as per provisions of the Scheme and Applicable Laws:
 - a) The Eligibility Criteria of Employees;
 - b) The quantum of RSUs to be granted under the RSU 2022 to the eligible Employees subject to the ceiling as specified in Sub-clauses 3.1, 3.2 and 3.3;
 - c) The conditions under which RSUs may Vest in RSU Grantee and lapse, including in case of termination of employment for Cause;
 - d) The exercise period within which the Employee can exercise the RSUs and that RSUs would lapse on failure to exercise the same within the Exercise Period;

- e) The specified time period within which the Employee shall exercise the Vested RSU in the event of termination or resignation;
 - f) The procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of RSUs and to the Exercise Price in case of Corporate Actions as specified in Applicable Laws such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, inter alia, be taken into consideration:
 - (i) the number and Exercise Price of RSUs shall be adjusted in a manner such that total value of the RSUs in the hands of the RSU Grantee remains the same after such Corporate Action; and
 - (ii) the Vesting Period and the life of the RSUs shall be left unaltered as far as possible to protect the rights of the RSU Grantees.
 - g) The procedure and detailed terms for the Grant, Vest and Exercise of RSUs in case of RSU Grantees in general and in case of RSU Grantees on long leave;
 - h) The procedure for funding the Exercise of RSUs;
 - i) The procedure for buy-back of specified securities issued under the SEBI SBEB & SE Regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including: and (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 specified securities that the Company may buy-back in a financial year.
- The term 'specified securities' shall have the meaning ascribed under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
- j) Decide upon the right of an Employee to exercise all the RSUs vested in such Employee at one time or at various points of time within the Exercise Period;
 - k) Decide upon the special exercise window upon an external liquidity event if any;
 - l) Mode of payment of the Exercise Price (cheque, demand draft, or any other mode);
 - m) The procedure for cashless Exercise of RSUs, if required and feasible;
 - n) Approve forms, writings and/or agreements, if entered by the Company, for use in pursuance of the RSU 2022; and
 - o) Frame suitable policies, systems and procedures, as may be necessary, to ensure that there is no violation of the Applicable Laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 or any statutory modification or re-enactment of these regulations by the Company, or any of the Employees, if and as applicable.

6. Eligibility and Applicability

- 6.1 Employees or categories of Employees as defined above in Sub-clause 2.1 (xv) above, subject to recommendation of the management of the Company and final determination by the **RSU Management Committee** are eligible for being granted Restricted Stock Units under RSU 2022.
- 6.2 Subject to above, the Eligibility Criteria of Employees would be determined on the basis of one or more of the following parameters:

- (a) Tenure of the Employee;
- (b) Performance of the Employee;
- (c) The present and potential contribution of the Employee to the success of the Company;
- (d) Market value/difficulty in replacing the Employee;
- (e) Risk of losing the Employee to competition; and
- (f) Value addition by the new entrant if any.

6.3 The RSU 2022 shall be applicable to the Company, and any successor company thereof including the employees of the Company's Group Company (including Holding Company, Subsidiary Company and Associate Company).

6.4 The RSUs granted to an eligible Employee shall be subject to the terms and conditions set forth in this Scheme and the Grant Letter.

7. Grant and Acceptance of Grant

7.1 Grant of RSUs

Each Grant of RSU under the RSU 2022 shall be made in writing by the Company / RSU Management Committee to the eligible Employees in the form of Grant Letter or such other form as may be approved under RSU 2022 from time to time.

7.2 Acceptance of the Grant

- (a) Grant of RSUs shall be evidenced by submission of Acceptance Form along with such enclosures, as the **RSU Management Committee** shall from time to time determine. Such Acceptance Form shall be deemed to incorporate all the terms of RSU 2022, as if the same were set out therein. In the event of inconsistency between the Acceptance Form and the RSU 2022, the RSU 2022 shall prevail.
- (b) An RSU Grantee who desires to accept the Grant of RSUs must communicate such acceptance by delivering to the Company a copy of the Acceptance Form duly signed by the RSU Grantee by the due date as specified in the Grant Letter being such a time period not exceeding 60 days from Grant Date ("**Closing Date**").
- (c) Any RSU Grantee who fails to deliver the signed Acceptance Form on or before the Closing Date stated above shall be deemed to have rejected the Grant unless the **RSU Management Committee** determines otherwise.
- (d) Upon acceptance of the Grant of RSUs in the manner described above, the RSU Grantee henceforth as a RSU Grantee, shall be bound by the terms, conditions and restrictions of the Scheme/ RSU 2022.

8. Vesting Schedule/ Conditions

8.1 RSUs granted under RSU 2022 would Vest not earlier than **1 (One)** year or such other period as may be prescribed under Applicable Laws and not later than maximum of 6 (Six) years from the Grant Date of such RSUs. The minimum Vesting Period of 1 (one) year shall not apply to cases of separation from employment due to death and Permanent Disability (as applicable under Applicable Laws).

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

8.2 The Vesting schedule for RSUs granted under this Scheme shall be subject to achievement of

time based / performance conditions as defined by the **RSU Management Committee** for each grant. Further, any RSU left to be allotted/ Unvested RSUs, post vesting of RSUs basis the terms and conditions of RSU 2022, shall remain in the RSU Pool for further allotment as per recommendation of the **RSU Management Committee**.

- 8.3 Subject to provisions of Clause 8 of the Scheme on separation rules, Vesting of RSUs would be subject to continued employment with the Company. In addition to this, the **RSU Management Committee** shall also specify performance criteria subject to satisfaction of which the RSUs would vest.
- 8.4 The specific Vesting schedule and Vesting Conditions subject to which Vesting would take place, would be outlined in the Grant Letter issued at the time of Grant of RSUs.
- 8.5 Vesting of RSUs in case of long leave

The period of leave shall not be considered in determining the Vesting Period in the event the RSU Grantee 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 **RSU Management Committee**.

9. Exercise

9.1 Exercise Price

The Exercise Price per RSU shall be INR 2 per RSU within the meaning of this Scheme determined with reference to Grant Date as any other price as decided by the Nomination and Remuneration Committee subject to Applicable Laws. Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn or by any electronic mode in favour of the Company or in such other manner as the **RSU Management Committee** may decide from time to time.

9.2 Exercise Period

(a) While in employment/ service

The Exercise Period in respect of a Vested RSUs shall be maximum of **4 (Four) years** from the date of Vesting of such RSUs. The exact Exercise Period of RSUs in case of any Grant shall be determined by the **RSU Management Committee**. Further, the RSU Grantee at all times must comply with all Applicable Laws and once the Grant is exercised by the RSU Grantee and the shares are allotted to the RSU Grantee accordingly, then the RSU Grantee shall comply with all applicable rules and regulations especially all laws governing shares/ stocks.

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

Vested RSUs can be exercised subject to treatment of Unvested RSUs as per provisions outlined herein below:

S. No.	Separations	Vested RSUs	Unvested RSUs
1	Resignation / Termination (other than due to Cause)	All the Vested RSUs as on date of submission of resignation/ date of termination; whichever is earlier; shall be exercisable by the RSU Grantee before the expiry of the Exercise Period.	All the Unvested RSUs on the date of submission of resignation / date of termination; whichever is earlier; shall stand cancelled with effect from such notice of resignation.
2	Termination due to Cause	All the Vested RSUs which were not exercised at the time of such termination	All the Unvested RSUs on the date of such termination shall stand

		shall stand cancelled with effect from the date of such termination.	cancelled with effect from the termination date.
3	Retirement	All the Vested RSUs as on date of Retirement shall be exercisable by the RSU Grantee before the expiry of the Exercise Period.	Prior to Listing, all the Unvested RSUs as on the date of Retirement shall stand cancelled with effect from the date of Retirement. It is hereby clarified that post Listing, the Unvested RSUs shall either lapse or continue to vest, as per the discretion of the RSU Management Committee and subject to Applicable Laws.
4	Separation due to death	All Vested RSUs may be exercised by the deceased RSU Grantee's nominee or legal heir(s) on submission of requisite proof, within the Exercise Period from the date of death.	All the Unvested RSUs as on the date of death shall be deemed to Vest immediately and may be Exercised by nominee / legal heirs as per provisions applicable for Vested RSUs. It is hereby clarified that post Listing, the minimum Vesting Period of 1 year shall not be applicable in case of death.
5	Separation due to Permanent Disability	All Vested RSUs as on the date of incurring such disability may be exercised by the RSU Grantee within the Exercise Period from the date of such disability.	All the Unvested RSUs as on the date of incurring Permanent Disability shall be deemed to Vest immediately and may be Exercised as per provisions applicable for Vested RSUs. It is hereby clarified that post Listing, the minimum Vesting Period of 1 year shall not be applicable in case of Permanent Disability.
6	Abandonment	All the Vested RSUs shall stand cancelled with effect from such date as determined by the RSU Management Committee .	All the Unvested RSUs shall stand cancelled with effect from such date as determined by the RSU Management Committee however, not after the last working date of the RSU Grantee.
7	Termination/ separation due to any other reason apart from those mentioned above	The RSU Management Committee shall decide whether the Vested RSUs as on that date can be exercised by the RSU	The RSU Management Committee shall decide whether the unvested RSUs as on that date can be exercised by the RSU

		Grantee or not, and such decision shall be final.	Grantee or not, and such decision shall be final.
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- 9.3 Exercisability of Vested RSUs and continuity of Vesting of Unvested RSUs in case of transfer of an RSU Grantee from the rolls of the Company to that of its associate company or any of its Group Company (Subsidiary Company or Holding Company or Associate Company) shall be at discretion of the **RSU Management Committee** as per Applicable Laws as prevailing at the relevant time.
- 9.4 The RSUs shall be deemed to have been exercised when an RSU Grantee makes an application in writing in prescribed format to the Company or by any other means as decided by the **RSU Management Committee**, for the issuance of Shares against the RSUs vested in him, subject to payment of Exercise Price and compliance of other requisite conditions of Exercise including satisfaction of tax liability thereon. Till the time a Grant is not exercised by the RSU Grantee in accordance with the terms hereof *i.e.* within the Exercise Period, the Company/ Nomination and Remuneration Committee shall have a right to revoke such Grant at its discretion, subject to Applicable Laws.
- 9.5 The RSUs not exercised within the Exercise Period as mentioned in Sub-clause 8.2 shall lapse and the Employee shall have no right over such lapsed RSUs.

10. Lock-in

- 10.1 The Shares issued upon Exercise of RSUs shall be freely transferable and shall not be subject to any lock-in period restriction after such Exercise, subject to Applicable Laws.

Provided however that the Shares allotted on such Exercise cannot be sold for such period from the date of allotment in terms of code of conduct for prevention of insider trading of the Company, if any, read with Securities Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended or such other period as may be stipulated from time to time in terms of such code; as applicable.

11. Liquidity

- 11.1 Shares acquired upon Exercise of RSUs can be sold through a stock market where the Shares of the Company are listed subject to satisfaction of regulatory conditions, if and as applicable. Except as provided under this clause 10.1, any sale (other than through a stock market, if and as applicable) of the Shares acquired upon Exercise of RSUs, needs to be done with prior approval of the Company Secretary of the Company.
- 11.2 In case of divestment of the Company by the existing Promoter(s) / Promoter Group/ shareholders, or in the case of issue of new shares to new investors, the RSU Grantees will have a right to offer shares acquired through exercise of RSUs to the new investor(s) up to 100% and at least equal to the proportionate sale or dilution of equity by existing investors subject to the approval of the Board.
- 11.3 Shares acquired upon Exercise of RSUs can be sold to any of the current shareholders of the Company, with prior written approval from the Company Secretary of the Company.
- 11.4 In case neither listing nor any liquidity event happens at the end of 4 year from the date of vesting, the Company shall buy-back the shares acquired via exercise of RSUs at the prevailing fair market valuation of the stock as determined by the Board, however, such buy-back shall be subject to the cash flow situation of the Company and availability of funds, to liquidate the RSU's in that financial year or subsequent years. The Board reserves the right to determine the appropriate methodology for calculating the fair market value of the shares. The decision of the Board shall be final and binding.

12. Change in Capital Structure and Corporate Action

- 12.1 Except as hereinafter provided and subject to the principle stated at Sub-clause 4.2(c), any Grant made under this Scheme shall be subject to adjustment on recommendation of the **RSU Management Committee**, at its discretion, as to the number and price of RSUs or Shares, as

the case may be, in the event of 'Corporate Action' as defined in the Scheme.

- 12.2 If there is a 'Corporate Action' of the Company before the RSUs that are granted under this Scheme, are exercised, the Employee shall be entitled on Exercise of the RSUs, to such number of Resultant Shares (as defined below) to which such Employee would have been entitled as if all the then outstanding RSUs exercised by such Employee, had been exercised before such 'Corporate Action' had taken place and the rights under the RSUs shall stand correspondingly adjusted. In the event of a Corporate Action such as bonus issue, stock split, etc., the Nomination and Remuneration Committee, subject to the provisions of Applicable Laws to the Restricted Stock Units, shall make fair and reasonable adjustments under the Scheme, as it deems fit, with respect to the number of RSUs, Exercise Price, distribution of sums and make any other necessary amendments to the Scheme for this purpose with respect to all the Corporate Actions in the Company. The Vesting Period and life of the RSUs shall be left unaltered unless otherwise decided by the Nomination and Remuneration Committee.

Explanation: "Resultant Shares" for the purpose of this Clause means the shares or other securities issued in lieu of the Shares of the Company, due to any Change in Capital Structure or on any Corporate Action.

- 12.3 In the event of severance of employment of an RSU Grantee, as a part of reconstitution / amalgamation / sell-off or otherwise, the RSUs that have vested or unvested before such reconstitution / amalgamation / sell-off, shall be treated as per the adjustments to be made and recommended by the **RSU Management Committee** at the time of such action. **RSU Management Committee** also has a power to decide for the treatment of the RSUs (whether vested or not) of the RSU Grantees who continue in the employment of the Company after such action.
- 12.4 In the event of a dissolution or liquidation of the Company, any Vested RSUs outstanding under the Scheme shall be cancelled if not exercised prior to such event and no compensation shall be payable in respect of the RSUs so cancelled unless otherwise decided by the Nomination and Remuneration Committee.
- 12.5 In the event of a reverse merger in which the Company is not the surviving entity, the RSUs vested till the date of happening of such event shall be exercised by the employee within such time period as may be determined by the Nomination and Remuneration Committee at the time of such event. With regard to the Unvested RSUs, the new management shall take the decision which shall be final and binding.

13. Transferability of RSUs

- 13.1 The RSUs shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 13.2 RSUs shall not be transferable to any person except as expressly permitted under this Scheme.
- 13.3 No person other than the RSU Grantee to whom the RSUs are granted shall be entitled to exercise the RSUs except in the event of the death of the RSU Grantee in which case provisions of Sub-clause 8.2(b) would apply. If due to Permanent Disability, an RSU Grantee is unable to exercise the RSUs, the **RSU Management Committee** may permit the nominee of the disabled RSU Grantee to exercise the RSUs on his behalf.

14. Deduction / Recovery of Tax

- 14.1 The liability of paying taxes if any, in connection with Exercise of RSUs granted pursuant to this Scheme shall be entirely on the RSU Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 and the rules framed thereunder.
- 14.2 The Company shall have the right to recover from RSU Grantee or deduct from the RSU Grantee's salary, any of the RSU Grantee's tax obligations arising in connection with the Shares allotted. The Company shall have no obligation to deliver Shares until the Company's tax

deduction obligations, if any, have been fully satisfied by the RSU Grantee.

15. Authority to vary terms

- 15.1 The Board on the recommendation of the Nomination and Remuneration Committee and in compliance of Applicable Laws, may, from time to time, amend, alter or terminate the Scheme or any Grant or the terms and conditions thereof, provided that no such amendment, alteration or termination of any Grant previously made may be carried out, which would impair or prejudice the rights of any RSU Grantee.

Provided further that post Listing, the Nomination and Remuneration Committee shall be entitled to vary the terms of this Scheme to meet any regulatory requirement without seeking shareholders' approval.

Provided further that the Board shall not amend or vary the terms of the Scheme which were specifically approved by the shareholders while approving the Scheme in any manner, without the approval of the shareholders.

16. No Restriction on Corporate Action

- 16.1 The existence of the Scheme and the Grants made hereunder shall not in any way affect the right or the power of the Board or the shareholders or the Company to make or authorize any 'Change in 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.
- 16.2 Nothing contained in the Scheme shall be construed to prevent the Company from taking any Corporate Action which is deemed by the Company to be appropriate or in its best interest, whether or not such action would have an adverse effect on the Scheme or any Grant made thereunder. No Employee or other person shall have any claim against the Company as a result of such action.

17. Accounting Policy and Disclosures

- 17.1 The Company shall follow the laws/regulations applicable to accounting related to Restricted Stock Units, including but not limited to the IND AS/Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as prescribed by the Institute of Chartered Accountants of India or any other appropriate authority, from time to time, including the disclosure requirements prescribed therein. Post Listing, the Company will also make the necessary disclosures under the SEBI SBEB & SE Regulations at the time of Grant, including as provided in Part G of Schedule I of the SEBI SBEB & SE Regulations.
- 17.2 The Board shall also make the requisite disclosures of the Scheme, in the manner specified under the Applicable Laws.

18. Miscellaneous

18.1 Rights as a shareholder

- (a) Nothing herein is intended to or shall give the RSU 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 until the RSU Grantee exercises the RSUs and becomes a registered holder of the Shares of the Company.
- (b) If the Company issues bonus or rights Shares, the RSU Grantee will not be eligible for the bonus or rights Shares in the capacity of an RSU Grantee. However, an adjustment to the number of RSUs or the Exercise Price or both would be made in accordance with Sub-clause 4.2(c) and Clause 11 of this Scheme.

18.2 Beneficiary nomination

Each RSU Grantee, under the Scheme may nominate, from time to time, any nominee to whom

any benefit under the Scheme is to be delivered in case of death of that RSU Grantee, before the Exercise of Vested RSUs. Each such nomination shall revoke all prior nominations by the same RSU Grantee and shall be in a form prescribed by the Company and will be effective only when filed by the RSU Grantee in writing with the Company during the RSU Grantee's life time.

18.3 Government Regulations

This RSU 2022 shall be subject to all Applicable Laws including any statutory modification(s) or re-enactment(s) thereof, and approvals from government authorities, if any and to the extent required.

18.4 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.

18.5 General Risks

Participation in the RSU 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 RSU Grantee alone. The RSU Grantee is encouraged to make considered judgment and seek adequate information /clarifications essential for appropriate decision.

18.6 The Grant of RSU does not form part of the RSU Grantee's entitlement to compensation or benefits pursuant to his contract of employment nor does the existence of a contract of employment between any person and the Company give such person any right or entitlement to have an RSU granted to him in respect of any number of Shares or any expectation that an RSU might be granted to him whether subject to any condition or at all.

18.7 Neither the existence of this Scheme nor the fact that an individual has on any occasion been granted an RSU 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 Scheme by being granted an RSU on any other occasion.

18.8 The rights granted to an RSU Grantee upon the grant of an RSU shall not afford the RSU 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).

18.9 The RSU 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 RSU in whole or in part.

19. Notices

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

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

- iii. Emailing the communication(s) to the RSU Grantee at the official email address provided if any by the Company during the continuance of employment or at the email address provided by the RSU Grantee after cessation of employment.

- 19.2 Any grievance or any other kind of communication to be given by an RSU Grantee to the Company in respect of RSU 2022 shall be sent to the person at the address mentioned below:

Stage 1

Group Chief Human Resource Officer,
Sterlite Electric Ltd.
5th Floor, RMZ Infinity, Plot No. 15,
Udyog Vihar Phase – IV, Sector-18,
Gurugram – 122015 , Haryana, India

Stage 2

In case the grievance is not resolved at Stage 1, then the same shall be forwarded to the below mentioned address:

Company Secretary,
Sterlite Electric Ltd.
5th Floor, RMZ Infinity, Plot No. 15,
Udyog Vihar Phase – IV, Sector-18,
Gurugram – 122015 , Haryana, India

20. Governing Laws and jurisdiction

- 20.1 The terms and conditions of the RSU 2022 shall be governed by and construed in accordance with the Applicable Laws of India including the Foreign Exchange Laws.
- 20.2 The courts in Gurugram, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this RSU 2022.

21. Income Tax Rules

- 21.1 The Income Tax laws and rules in force will be applicable.

22. Severability

- 22.1 In the event any one or more of the provisions contained in this RSU 2022 shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this RSU 2022, but this RSU 2022 shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and the RSU 2022 shall be carried out as nearly as possible according to its original terms and intent.

23. Amendment

- 23.1 Notwithstanding anything stated in this Scheme or otherwise but subject to Applicable Laws, the Company reserves its right to amend the Scheme at its discretion including but not limited to foreclosure, change in performance matrix.

24. Confidentiality

- 24.1 RSU Grantees must keep the details of the RSU 2022 and all other documents in connection thereto strictly confidential and must not disclose the details with any of his/her peer, colleagues, co-employees or with any employee and/ or associate of the Company or that of its affiliates except disclosures to such authorities as required under law. In case RSU Grantee

is found in breach of this Confidentiality Clause, the Company shall have undisputed right to terminate any agreement and all unexercised RSUs 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 RSU Grantee. In case of non-adherence to the provisions of this Clause, the **RSU Management Committee** will have the authority to deal with such cases as it may deem fit.

- 24.2 The RSU Grantee agrees that the Company may be required to disclose information of the RSU Grantee during the process of implementation of the RSUs or while availing services relating to RSUs consulting, advisory services or RSUs management services and/ or any other such incidental services. The RSU Grantee hereby accords his/her consent that such confidential information regarding his/her RSUs entitlements may be disclosed by the Company to its officers, professional advisors, agents and consultants on a need to know basis.

-----End of Scheme-----