RSWM Limited Employee Stock Option Plan 2026

("ESOP 2026"/ "Scheme")

Adopted on [●]

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PART A: STATEMENT OF RISK

All investments in shares or options on shares are subject to market risks as the value of shares may fluctuate. In addition, employee stock options are subject to the following additional risks:

1. **Concentration**

   The risk arising out of any fall in value of shares is aggravated if the employee's holding is concentrated in the shares of a single Company.

2. **Leverage**

   Any change in the value of the share can lead to a significantly larger change in the value of the options.

3. **Liquidity**

   The options under this plan cannot be transferred to anybody, and therefore the employees cannot mitigate their risks by selling whole or part of their options before they are exercised.

4. **Vesting**

   The options will lapse if the employment is terminated prior to vesting. Even after the options are vested, the unexercised options may be forfeited if the employee is terminated for reasons defined in Clause 13 – 'Termination of employment' of this plan.

PART B: SALIENT FEATURES OF THE SCHEME

This part contains the salient features of the Employee Stock Option Scheme of the RSWM Limited including the conditions regarding vesting, exercise, adjustment for corporate actions, and forfeiture of vested options.

5. Name and objectives of the Plan

5.1. The Plan shall be called the "RSWM Limited Employee Stock Option Plan 2026" (*or "RSWM Limited Employee Stock Option Scheme 2026" or the "Plan" or the "Scheme"*).

5.2. The objectives of the Plan are as follows:

5.2.1. To align employee interest with that of shareholders in such manner that the employee would be motivated to take decisions in the interest of the shareholders.

5.2.2. To provide wealth creation opportunities to our employees linked to value creation.

5.2.3. To attract and retain our best performing, critical talent.

5.2.4. To recognize and reward long-serving employees for their association with the Company, commitment, and past contributions.

6. Definitions and Interpretations

6.1. Definitions

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

6.1.1. **Act** means the Companies Act, 2013 for the time being in force and as amended from time to time.

6.1.2. **Applicable Law** means the legal requirements relating and as applicable to Employee Stock Option Schemes, including, without limitation, The Companies Act, 2013, The Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India Act, 1992, as amended, the guidelines and regulations issued by the Securities and Exchange Board of India including the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and all relevant tax, securities, exchange control or corporate laws of India or any relevant jurisdiction or of any stock exchange on which the shares are listed or quoted.

6.1.3. **Board/Board of Directors** means the Board of Directors of the Company for the time being and re-constituted and/or re-structured from time to time during the existence of this Plan.

6.1.4. **Change in Capital Structure** means a change in the capital structure of the Company as a result of reclassification of shares, splitting up of the face value of shares, sub-division of shares, issue of bonus shares, issue of rights shares, conversion of shares into other shares or securities and any other change in the rights or obligations in respect of shares.

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

6.1.6. **Company** means **RSWM Limited**, incorporated under the provisions of the Companies Act, 1956 having corporate identification number ("**CIN**") L17115RJ1960PLC008216 and registered office address at Kharigram P.O. Gulabpura, Bhilwara, Rajasthan, India – 311021.

6.1.7. **Company Policy/ Terms of Employment** means the Company's policies for Employees and the terms of employment as contained in the Employment Agreement and the Code of Conduct, which includes provisions for securing Confidentiality, Non-Compete and Non- Solicitation of other employees.

6.1.8. **Compensation Committee** shall mean the Nomination and Remuneration Committee of the Board ("**Committee/NRC**"), as constituted or reconstituted from time to time, as provided under Section 178 of the Companies Act, 2013, (as amended or modified from time to time) and/or Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to administer and supervise the employee stock option plans of the Company, including this Plan.

6.1.9. **Control** shall have the same meaning as defined under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

6.1.10. **Corporate Action** means and includes one of the following actions:

(a) The merger, de-merger, spin-off, consolidation, amalgamation, sale of business or other reorganization of the Company in which all the shares are converted into or exchanged for:

- a different class of securities of the Company; or
- any securities of any other issuer; or
- cash, or
- other property

(b) The sale, lease or exchange of all or substantially whole of the assets/ undertaking of the Company to any other Company or entity.

(c) The adoption by the shareholders of the Company of a scheme of liquidation, dissolution or winding up.

(d) Such other corporate action as may be decided by NRC or Board from time to time.

6.1.11. **Contract:** The contract that regulates the relationship between the Company and the owner following the exercise of the option right according to the plan.

6.1.12. **Director** means a member of the Board of the Company.

6.1.13. **Eligibility criteria** means the criteria as may be determined from time to time by the Nomination and Remuneration Committee for granting the employee stock options to the employees.

6.1.14. **Employee** means:

(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 clause (a) or (b) of any subsidiary Company 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 belongs to the Promoter Group

ii. a 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

6.1.15. **Employer Company** means the Company as defined in clause 6.1.6.

6.1.16. **Exercise** of an Option means expression of an intention by an Option Grantee to the Company to purchase the Shares underlying the Options vested in her/ him, in pursuance of the Plan and which has been accepted by the Company in accordance with the procedure laid down by the Company for Exercise of such Options.

6.1.17. **Exercise Date** means the date on which an employee of the Company elects to exercise the options.

6.1.18. **Exercise Period** means the time period after vesting within which an employee should exercise his/her right to apply for shares against the vested option in pursuance of the Plan.

6.1.19. **Exercise Price** means the price payable by the employee for exercising the Option granted to him in pursuance of this Plan.

6.1.20. **Fair Market Value/ FMV** means, as of any specified date, means the latest available closing price, prior to the date of the meeting of the Nomination and Remuneration Committee, in which options are granted/ shares are issued, on the stock exchange on which the shares of the Company are listed.

If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume during the aforesaid period shall be considered.

6.1.21. **Grant** means the process by which the Company individually or collectively, issues the Options to Employees under the Plan.

6.1.22. **Grantee** means an Employee who has been granted Stock Options pursuant to the Plan where the context so requires includes his/her legal heirs and/or designated beneficiary

6.1.23. **Grant Date** means the date on which Nomination and Remuneration Committee approves the grant.

6.1.24. **Long Leave** means a period of unpaid leave as mentioned in Human Resource Policy of the Employer Company.

6.1.25. **Managing Director**: The Managing Director(s) of the Company appointed from time to time.

6.1.26. **Option or Stock Option** means a right but not an obligation granted to an Employee to subscribe for shares offered by the Company, directly or indirectly at a pre- determined price in pursuance of the Plan.

6.1.27. **Option Agreement** means a written agreement entered into between the Company and an Employee with respect to an Option, a Grant to such employee, and on such terms and conditions as stipulated in this Plan and as may be suggested/recommended by the Nomination and Remuneration Committee from time to time.

6.1.28. **Plan** means the RSWM Limited Employee Stock Option Plan 2026 as set out herein and as amended or modified from time to time.

6.1.29. **Promoter** shall have the same meaning assigned to it under Section 2(69) of the Companies Act, 2013 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

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

6.1.31. **Relevant date means:**

(i) in the case of grant, the date of the meeting of the Nomination and Remuneration Committee on which the grant is made; or

(ii) in the case of exercise, the date on which the Exercise Form is given to the Company by the employee.

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

6.1.33. **Retirement** means retirement as per the extant rules of the Employer Company.

6.1.34. **Secretarial auditor** means a Company Secretary in Practice appointed by the 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

6.1.35. **SEBI ESOP Regulations/ SEBI Regulations** shall mean Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended.

6.1.36. **Share** means fully paid equity shares of the Company and the securities convertible into equity shares and shall include American Depository Receipts (ADR), Global Depository Receipts (GDR), or other depository receipts representing underlying equity shares or securities convertible into equity shares and where the context so requires shall include the Resultant shares.

6.1.37. **Strategic Sale** refers to the sale of a majority stake (51% or more) of the Company or any sale in which a strategic partner acquires a majority stake and/or management control; from the Company or the promoter group.

6.1.38. **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.

6.1.39. **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.

6.1.40. **Vesting** means the process by which the employee is given the right to apply for shares of the Company against the option granted to him/her in pursuance of the Plan.

6.1.41. **Vesting Conditions** means the conditions subject to which the option granted would vest in an option grantee.

6.1.42. **Vesting Period** means the period during which the vesting of the option granted to the employee in pursuance of the Plan takes place.

6.1.43. **Working Day** means the day on which recognized stock exchange is open for business.

The definitions as given above are for the purposes of interpretation of this Plan only and should not be used for any other purpose.

6.2. Interpretations

In this document, unless otherwise stated or intention appears:

(a) The singular includes the plural and vice versa.

(b) The word person includes an individual, a firm, a body corporate or any other authority as per the context.

(c) Any word or expression importing the masculine or feminine genders shall be taken to include all these genders.

(d) Any word which is not defined under the plan shall be interpreted in line with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956 or the Companies Act, 2013 and rules made thereunder or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislation.

(e) In case of lack of clarity on an issue raised either by the Employee(s) or the Company, the interpretation of the Nomination and Remuneration Committee or the Board shall be treated as final.

(f) Any amendments in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021/other applicable laws shall be binding even if not incorporated in this Plan.

6.3. Section headings

The section headings are for information only and shall not affect the construction of this document.

6.4. References

6.4.1. A reference to a clause or schedule is respectively a reference to a clause or schedule of this document. The Schedules, if any, to this document shall for all purposes form part of this document.

6.4.2. Reference to any Act, Rules, Regulations, Statutes or Notifications/ Circulars/ Press Notes shall include any statutory modification, substitution or re-enactment thereof.

7. Implementation

7.1. Upon approval of shareholders, the Plan shall be implemented by the Committee under the policy and framework laid down by the Company and/or Board of Directors of the Company, in accordance with the authority delegated to the Committee in this regard from time to time and shall be subject to the amendments, modifications and alterations to the Plan made by the Company and/or Board of Directors in this connection.

The Company may change the mode of implementation of the scheme subject to the fresh approval of the shareholders by a special resolution prior to implementing such a change.

7.2. Upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors shall approve the application of the program year by year, based upon the performance of the Company.

7.3. The issuance of shares will be under the guidance, advice and direction of the Nomination and Remuneration Committee constituted under this Plan.

8. Effective date of the Plan and Tenure of Grant

8.1. Effective dates

The Plan shall be deemed to have come into force from [Insert Date] i.e., the date on which terms of this Plan is approved by the Shareholders of the Company in General Meeting/Postal Ballot.

8.2. Termination

If any Stock Options granted under the Plan are terminated under Clause 13 of this plan, such options shall be available for re-grant under the Plan. Further, if any Option granted under the Plan lapses or is forfeited or surrendered or cancelled, due to any reasons covered under this Plan, such Options shall be available for further grant unless otherwise determined by the Committee.

8.3. Tenure

The Plan shall continue to be in force until:

(i) its termination by the Board or

(ii) the date on which all of the options available for issuance under the Plan have been issued and exercised, whichever is earlier.

8.4. Administration of the Plan

The plan shall be administered by the Nomination and Remuneration Committee and will follow the terms of the Plan and Applicable law, as would be prevailing from time to time.

The Plan will be implemented by the Company directly and will involve issue of new shares by the Company for extending the benefits to the eligible Employees and will not involve any secondary acquisition. The issue of shares shall take place on and upon successful exercise of vested options in accordance with the terms and conditions of this Plan.

All decisions, determinations and interpretations with respect to, connected with or arising out of or related to the plan (*except Termination or Amendment*) shall be with the Nomination and Remuneration Committee. Any such decisions shall be final, conclusive and binding upon all persons including the Company, any participants, shareholders and any employees.

8.5. Constitution of the Committee of the Board or the Compensation Committee

a. Nomination and Remuneration Committee consists of such directors in accordance with Section 178 of Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 for administration and superintendence, including formulating of terms and conditions of the Plan.

b. All the decisions of the Nomination and Remuneration Committee shall be taken by simple majority. Any member of the Nomination and Remuneration Committee to whom any matters relating to the Plan relate to or who has an interest in such matters shall not vote on such matters.

8.6. Powers

The Nomination and Remuneration Committee shall have the power to formulate the detailed terms and conditions of the schemes which shall, *inter alia*, include the following provisions:

8.6.1. determine the eligibility criteria;

8.6.2. determine the date of Grant;

8.6.3. the quantum/maximum number of Options to be granted under an Employee Stock Option Plan per Employee and in aggregate under a scheme and the time at which such Grant will be made;

8.6.4. the kind of benefits to be granted under a scheme;

8.6.5. the choice of method and determination of the exercise price of options;

8.6.6. the Employees eligible for participation in the Plan in compliance with the Plan;

8.6.7. the choice of Employees to whom options may from time to time be granted hereunder against the eligibility criteria;

8.6.8. the Exercise Period within which the Employee should Exercise the Option and that Option would lapse on failure to Exercise the same within the Exercise Period;

8.6.9. the conditions under which Options may vest in employees and may lapse in case of termination of employment for misconduct and or for any reason whatsoever or in case the employee resign from the Company.

8.6.10. 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;

8.6.11. approve forms, writings and / or agreements for use in pursuance of this Plan;

8.6.12. ensuring compliance with the guidelines applicable to ESOP 2026/ Scheme;

8.6.13. the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of Corporate Actions viz. rights issue, bonus issue, split or consolidation of shares, merger, sale of division etc. In this regard, the following shall, inter alia, be taken into consideration by the Compensation Committee:

(a) the number and price of Options shall be adjusted in a manner such that total value to the employee of the Options remains the same after the Corporate Action;

(b) the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Option holders;

8.6.14. the Grant, Vesting and Exercise of Options in case of Employees who are on long leave.

8.6.15. the procedure for cashless Exercise of Options, if any

8.6.16. the right to determine the exercise price in line with SEBI ESOP Regulations.

8.6.17. the procedure for funding the exercise of options.

8.6.18. the procedure for buy-back of specified securities issued under these regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

- permissible sources of financing for buy-back;
- any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
- limits upon quantum of specified securities that the Company may buy-back in a financial year.

8.6.19. to amend, alter, vary or modify any other terms of the plan, subject to approval of Board/Shareholders (as required) and implement them, where such variation is to meet any regulatory requirement only.

8.6.20. Determine the conditions under which the options shall be accelerated at the discretion of the Board/Committee.

8.6.21. Determining of disallowance of Options in case of any breach or misconduct by Grantee.

8.6.22. Laying down procedure for implementation of the Scheme/Plan;

8.6.23. Determine the method with the Company shall use to value the options;

8.6.24. All questions of interpretation under this Scheme shall be determined by the Nomination and Remuneration Committee and shall be final and binding upon all the persons having interest in such Scheme/ Plan.

8.6.25. Notwithstanding anything contained herein and in accordance with the applicable Law, the Board may make rules, policies in relation to the said Scheme/Plan which shall be binding on the Nomination and Remuneration Committee and the Grantee.

The Committee shall frame suitable policies and systems to ensure that there is no violation of:

- *SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.*
- *SEBI (Prohibition of Insider Trading) Regulations, 2015;*
- *SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003) as amended; and*
- *Relevant provisions of the Act.*

by any employee.

The members of the Nomination and Remuneration Committee and their powers and functions can be specified, varied, altered or modified from time to time by the Board of Directors subject to such rules and regulations as may be in force. The Board may further provide that the Nomination and Remuneration Committee shall exercise certain powers only after consulting the Board of Directors of the Company, as the case may be.

8.7. Liability of Members of the Nomination and Remuneration Committee

No member of the Nomination and Remuneration Committee shall be personally liable for any decision or action made in good faith with respect to the Plan.

The Nomination and Remuneration Committee members or invitees shall, however, abstain from participating in and deciding matters that directly affect their individual ownership interests under the Plan.

9. Grant of Options

9.1. Grant Limits

9.1.1. The Nomination and Remuneration Committee may from time to time make Grants to one or more Employees, determined by it to be eligible for participation in the Plan in accordance with the provisions of Clause 17 of the Plan. Shares shall be deemed to have been issued under the Plan only to the extent actually issued and delivered pursuant to a Grant.

9.1.2. The Managing Director(s) may recommend to the Board and the Committee to grant any employee, other than himself/herself, who satisfies the conditions of the granting of the option right, the right of purchase of a number of shares under this program.

9.1.3. The Grant shall be in writing and shall specify the number of options granted, the price payable for exercising the options, the date(s) on which some or all of the Options and the shares acquired under the Grant shall be eligible for vesting, on fulfillment of the vesting conditions, subject to which vesting shall take place and other terms and conditions thereto. It is hereby clarified that such terms may be different for different Grants and/or different Eligible Employees.

9.1.4. No amount shall be payable at the time of grant.

9.1.5. No employee shall be entitled to more than such number of options equal to or exceeding 1% of the issued Capital of the Company at the time of grant of options. Approval of shareholders by way of separate resolution in the general meeting/Postal Ballot shall be obtained by the Company in case of Grant of option during any one year, equal to or exceeding 1%. of the issued share capital (excluding outstanding warrants and conversions) of the Company at the time of grant of option.

9.1.6. The total number of options granted shall not, at any time, exceed 9,70,000 (Nine Lakh Seventy Thousand) options of the fully paid-up equity shares of the Company, which will be available for grant to eligible employees of the Company under the Plan.

9.1.7. The option right that is abandoned, lapsed or expires without being exercised by the option right owner in accordance with this Plan shall not be taken into consideration upon calculation of the maximum provided in the preceding paragraph.

9.1.8. In the event of any conflict between the terms of this Scheme/Plan and the Letter of Grant, the terms of this Scheme/Plan shall prevail.

9.2. Stock offered

The shares to be offered pursuant to a Grant shall be from the authorized share capital of the Company or Common Stock previously issued and outstanding and reacquired by the Company.

9.3. Structure of the Plan

The Company may grant 9,70,000 (Nine Lakh Seventy Thousand) options under this Plan.

Each Option entitles the eligible employees to apply for and be allotted one equity share of Rs. 10/- each fully paid-up on payment of the exercise price. The limit may be appropriately revised by the Board in case of any share split / bonus issue / merger or restructuring plan / or other corporate action necessitating the same subject to the provisions of this Plan.

9.4. Grant Plan

All employees who are eligible as per Clause 17 of the Plan shall be granted options. However, the Nomination and Remuneration Committee has the discretion in granting options prior to the employees meeting all the eligibility criteria given in clause 9.5 and or not granting option to any employee for any reason whatsoever.

There shall be a minimum period of 1 (one) year between the Grant of Options and the Vesting of Option.

9.5. Grant Criteria

All eligible employees will be granted options by the Nomination and Remuneration Committee on the basis of some or all of the following criteria, basis etc. at the discretion of the Nomination and Remuneration Committee:

- Level and role of the Employee;
- Performance of the Employee;
- Tenure with the organization;
- Grade with the organization
- Such other factors as the Nomination and Remuneration Committee may at its discretion decide from time to time

The decision of the Nomination and Remuneration committee shall be final and no employee can raise any kind of claim in this respect.

An employee shall not have the right to receive any dividend or to vote or in any manner enjoy the benefits available to a shareholder in respect of an option granted to him/her, till the options are exercised by the employees and shares are issued to him/her upon such exercise of the option.

10. Vesting of Options

10.1. Vesting plan

The minimum vesting period shall be at least 1 (one) year from the date of Grant.

In the event of death or permanent incapacity of an employee, the minimum vesting period of one year shall not be applicable and in such instances, the options shall vest with effect from the date of his/her death in the legal heirs or nominees of the deceased employee.

Vesting of the options shall take place over a maximum period of 4 (four) years from the date of Grant of options.

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

The Nomination and Remuneration Committee at the time of grant may specify certain criteria linked to the individual and/ or organizational performance or any other criteria as it may deem fit for all or a part of the Options the fulfilment of which might be a requisite for the options to vest.

Additional criteria for vesting may be communicated to the option grantee at the beginning of each financial year.

Notwithstanding anything to the contrary in this plan, the Nomination and Remuneration Committee shall be entitled to in its discretion to vary or alter the Vesting Date from employee to employee or class there, as it may deem fit, subject to any changes in regulation or to protect employee or the Company's interest, provided that these changes are not prejudicial to the employee interest.

10.2. Exercise of unvested options

The Nomination and Remuneration Committee, in its discretion, may vary the terms and conditions of exercise of unvested options as it may deem fit, subject to the minimum lock-in conditions applicable at that time but will not extend the vesting date and/or period as communicated to the employee in the initial grant.

10.3. Acceleration of vesting period

Subject to the provisions of the applicable law, the Nomination and Remuneration Committee may, at its discretion and on a case-by-case basis, provide for Accelerated Vesting whereby, the date of Vesting is advanced to a date that is before the original Vesting date as specified in the Option Agreement, provided that in no event shall the Vesting period pursuant to such accelerated Vesting be shorter than 1 (one) year from the date of grant.

10.4. Suspension of Vesting Period

Notwithstanding anything contrary contained in the Scheme/Plan, the Nomination and Remuneration Committee may at its discretion suspend the vesting of the option during the period an employee has been suspended by the Company or is subject to any disciplinary inquiry/ proceeding due to an act of misconduct or breach of policies/ terms of employment.

11. Exercise of Options

11.1. Exercise plan

There shall be no lock-in after the options have vested. The Shares arising out of Exercise of Vested Options would not be subject to any lock-in-period after such Exercise, except as required by the then applicable law.

The transferability of Equity Shares shall be subject to the restriction for such period in terms of the SEBI (Prohibition of Insider Trading), Regulations, 2015, as amended from time to time or for such other period as may be stipulated from time to time in terms of Company's Code of Conduct for Prevention of Insider Trading.

Employee can Exercise all the Options vested in him at one time or at various points of time within the Exercise Period.

The Board shall give the employees a reasonable advance notice of at least thirty (30) days, prior to the opening of the Exercise Window to allow the employees to arrange for necessary liquidity to exercise the Options.

11.2. Exercise price/Grant price

The Exercise Price would be decided at the Committee's discretion in line with SEBI Regulations and subject to conforming to the accounting policies specified in Regulation 15 of SEBI ESOP regulations. The Exercise price shall not exceed the fair market value as on the Date of Grant and shall not be below the Face Value of the share.

Such exercise price will be intimated to the eligible employee at the time of Grant of Options to them.

Provided that, the Company may re-price the Options which are not exercised, whether or not they have been vested. However, the Company will ensure that such repricing will not be detrimental to the interest of the employees.

11.3. Exercise period

The exercise period for the Options granted to an Employee shall commence from the Vesting of Options. The Exercise period shall be decided by the Nomination and Remuneration Committee subject to a maximum period of 4 (four) years from the date of each Vesting of options.

The option right owner shall also have the right to defer the decision of exercise of the purchase right at any time prior to the end of the exercise period, after which the options shall lapse.

The options shall be exercisable by the employees by a written application or through any mode as may be prescribed by the Nomination and Remuneration Committee, to the Company to exercise the options in such manner, and on execution of such documents, as may be prescribed by the Nomination and Remuneration Committee

11.4. Other aspects

Notwithstanding anything contained elsewhere in the Plan, the Committee and/or the Board may, if the Exercise of Options within the Exercise period, is prevented by any law or regulation in force, defer or refuse to permit the Exercise of Options till such time as it is prohibited by the applicable laws or regulations and in such an event, the Company shall not be liable to pay any compensation or similar payment to the Employee for any loss suffered due to such refusal.

Provided further that the Committee/Board shall have the power and be and is, hereby, authorized to cancel all or any of the Options granted under the Plan if so required under any law for the time being in force.

12. Exit plan

12.1. Whilst in employment

12.1.1. The employee will be free to sell his Shares in the open market, subject to any holding restrictions by SEBI, if any, at the time of the then applicable law subject to compliance under SEBI (Prohibition of Insider Trading) Regulations, 2015.

12.1.2. In event of a Strategic Sale, all Vested Options of the employee will be exited in the currency of the transaction (cash or equity swap, as the case may be). With respect to Unvested Options, they may be forfeited by the Company.

12.2. Whilst not in employment

12.2.1. The ex-employees will be free to sell his Shares in the open market, subject to any holding restrictions by SEBI, if any, at the time of the then applicable law.

13. Termination of employment

If a Grantee's employment (or other service) with the Company terminates:

13.1. **For Cause ("Misconduct"),** then all Options, vested (but not Exercised) or unvested, stand cancelled.

a. Misconduct, fraud, breach of company policies and code of ethics, material violation of employment terms, non-performance or any act resulting in financial, reputational, or operational harm to the Company, or;

b. incompetence displayed or any other conduct in contravention of the provisions of the Code of Conduct of the Company, which is determined by the Nomination and Remuneration Committee to be detrimental to the interest of the Company or any of its affiliates, monetarily or otherwise, or;

c. the Employee's pleading guilty to or conviction of a felony, or;

d. theft, sexual harassment, fraud, misfeasance, breach of trust or wrongful disclosure of any secret or confidential information about the Company to any third party, or;

e. employment of the Employee in any other organization or provision of services by the Employee for any other organization while employed with the Company.

13.2. **Without Cause**

For termination without cause, all vested options must be exercised within three (3) months by the employee from the date of separation.

All unvested options shall lapse immediately when the termination notice is issued.

13.3. **Due to voluntary resignation** on the part of the employee, all the vested Options which are granted have to be exercised within the notice period as per Company policy of their resignation, post which they will be considered forfeited/cancelled.

All unvested options would be lapsed/forfeited upon completion of the notice period (i.e., last working day).

13.4. **Due to Retirement or superannuation** the employee must Exercise the vested Options within twelve (12) months from the date of retirement or superannuation, post which they will be considered forfeited/cancelled.

All Unvested Options will vest on the date of retirement or superannuation,

13.5. **In the event of abscondment by an employee**, all Options, vested (but not Exercised) or unvested, stand cancelled with immediate effect.

13.6. For reasons other than those referred above, the Nomination and Remuneration Committee will decide whether the Vested Options on the date of separation can be exercised by the Employee or not, and such decision shall be final. All unvested options shall stand cancelled as on the date of separation.

14. Death and Total and Permanent Disability

If a Grantee dies or becomes totally and permanently disabled while an employee of the Company, the granted Stock Options shall vest and can be exercised as below:

14.1. In the event of death of an Employee while in employment with the Company, all unvested options shall vest in the legal heirs/Beneficiary/nominees of the deceased (subject to applicable regulatory guidelines) Employee immediately on the date of death.

All vested options may be exercised by the employee/nominee within the exercise period.

14.2. In the event of permanent incapacitation of an employee, (i.e., incapacity to engage in work as a result of sickness, mental disability or otherwise or by reason of accident), all unvested options shall vest immediately on the date of permanent incapacitation. All vested options may be exercised by the employee/nominee within the exercise period.

Summary of vesting and exercise conditions in case of termination of employment and Death and total and permanent disability

Condition	Vesting Condition	Exercise Condition
For Cause ("Misconduct")	All options, vested (but not Exercised) or unvested, stand cancelled with effect from the date of such termination.	N/A
Termination without Cause	All unvested options lapse immediately when the termination notice is issued.	All vested options must be exercised within three (3) months by the employee from the date of separation.
Due to Voluntary Resignation	All unvested options are forfeited upon completion of the notice period (i.e., last working day).	All vested options must be exercised within the notice period as per policy of the Company.
Completion of Employment due to Retirement or Superannuation	All unvested Options will vest on the date of retirement or superannuation,.	All vested options must be exercised within twelve (12) months from the date of retirement or superannuation.
Abscondment/Abandonment by an Employee	All Options, vested (but not Exercised) or unvested, stand cancelled.	N/A
Death	All unvested options vest immediately on date of death in legal heirs/ Beneficiary/ nominees.	Vested options must be exercised within 12 months from the date of retirement or superannuation.
Total or Permanent Incapacity	All unvested Options vest immediately on date of permanent incapacity.	Vested Options must be exercised within 12 months from the date of retirement or superannuation.

Other Reasons	Determined by the Nomination and Remuneration Committee.	Determined by the Nomination and Remuneration Committee.

15. Non-Assignability

The Option shall not be transferable or assignable by the Employee, otherwise than by will or the laws of descent and distribution and the Option shall be exercisable, during the Employee's lifetime, only by him/her or, during periods of disability, by his/her legal representative/inheritor. No Option shall be subject to execution, attachment or similar process. The Options granted shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner. If the Option right owner tries to transfer or abandon or dispose of the option right or the rights relating thereto whether voluntarily or obligatorily, the said right(s) shall expire immediately.

16. Rights of an employee in stock

16.1. Shareholder rights

Neither Employee, nor his successor in interest, shall have any of the rights of a shareholder of the Company with respect to the shares for which the Option is exercised until such shares are issued by the Company.

16.2. Change of Employment within Company

Except as may be otherwise provided in this Plan, the Option granted hereunder shall not be affected by any change of employment so long as the employee continues to be employed by the Company.

16.3. Change of Employment pursuant to scheme of arrangement

If an employee who has been granted benefits under a scheme, is transferred pursuant to scheme of arrangement, amalgamation, merger or demerger or continued in the existing Company, prior to the vesting or exercise, the treatment of options shall be as specified in such scheme of arrangement, amalgamation, merger or demerger.

16.4. Terms and conditions of Shares

All Shares acquired under the Plan will rank *pari passu* with all other Shares of the Company for the time being in issue. Dividend in respect of Shares allotted on Exercise of the Options shall be payable from the date of allotment.

17. Eligibility

17.1. A Stock Option Grant made pursuant to the Plan may be Granted only to an individual who, at the time of Grant is an employee of the Company.

17.2. The Nomination and Remuneration Committee, however, is authorized to change the eligibility criteria from time to time in accordance with the SEBI ESOP Regulations.

17.3. Each Grant shall be evidenced by a written instrument duly executed by or on behalf of the Company.

The Nomination and Remuneration Committee will determine the specific employees or class of employees who will be eligible for award of stock options based on the performance criteria and such other criteria as referred in clause 9.5.

18. Appraisal of Eligible Employees

The appraisal process for determining the eligibility of the employee will be specified by the Nomination and Remuneration Committee and may be based on criteria such as seniority of employee, length of service, past performance record, merit of the employee, future potential, contribution by the employee and/or such other criteria that may be determined by the Nomination and Remuneration Committee.

19. Stock Option/Grants Agreement

19.1. Stock Option Agreement

Each Option shall be evidenced by an Agreement between the Company and the Grantee, which shall contain such terms, and conditions as may be approved by the Nomination and Remuneration Committee. Each Agreement shall specify the effect of termination of employment, total and permanent disability, retirement or death on the exercisability of the Option and such other terms and conditions as the Committee may deem necessary.

Under each Agreement, a Grantee shall have the right to appoint any individual or legal entity in writing as his nominee under the Plan in the event of his death / total and permanent incapacity/ disability (as per Clause 14). Such nomination may be revoked in writing by the Grantee at any time during the time of employment and a new nominee may be appointed in writing on the form provided by the Committee for such purpose. Such nominee shall be the only legal representative recognized by the Company/ Committee as the inheritor of the Grantees options to the exclusion of all others.

The employee shall return the signed Option right agreement within two weeks to the Company to notify his/ her acceptance.

19.2. Limitations on Exercise of Option

Any option granted hereunder shall be exercisable at such time and under such conditions as determined by the Nomination and Remuneration Committee and as permissible under the terms of the Plan, which shall be specified in the Agreement evidencing the Option. An Option shall not, however, be exercised for fractional shares.

20. Change in Capital Structure or Corporate Action

20.1. Except as hereinafter provided, a Grant made shall be subject to adjustment, by the Committee, at its discretion as to number and price of Options or Shares, as the case may be, in the event of ‘Change in Capital Structure’ or a ‘Corporate Action’ as defined in this Plan.

20.2. The existence of the Plan and the Grants made hereunder shall not in any way affect the right or the power of the Board of Directors or the shareholders or the Company to make or authorize any 'Change in Capital Structure’ or any 'Corporate Action' including any issue of shares, debt or other securities having any priority or preference with respect to the Shares or the rights thereof, and with respect to pricing of the shares (shares may be issued at par or at any price as may be decided by the Board of Directors or the Company which may be lower than the price at which stock option is / will be granted to the Employees, from time to time).

20.3. The Shares in respect of which the Options are granted, are Shares as presently constituted. But if and when, prior to the expiry of the Exercise Period there is a split or consolidation of the existing shares of the Company, the number of Shares with respect to which the Options may thereafter be exercised shall, in the event of:

- Split and thereby an increase in the number of Resultant Shares, be proportionately increased, and the Exercise Price, be proportionately reduced.

- Consolidation and thereby a reduction in the number of Resultant Shares be proportionately reduced, and the Exercise Price, be proportionately increased.

Provided further that in case the provisions of applicable law restrict/prohibit the issue of shares at a discount to its par value, the Exercise Price shall not be less than the amount as prescribed under such law.

20.4. In case of any Bonus issuance made by the Company, the effect of such issuance shall be made to the options which were granted before or at that the time of such issuance in the ratio in which the effect was give to the existing shareholders of the Company at the time of issuance.

21. Amendment or Termination of Plan

Amendment:

A Company may by special resolution of its shareholders vary the terms of the schemes offered pursuant to an earlier resolution of the general body but not yet exercised by the employees, if such variation is not prejudicial to the interests of the employees.

The notice convening the meeting for passing a special resolution for variation of the terms of the Plan shall clearly disclose the complete details of such variation, the rationale for the proposed change, and the particulars of the Employees who would be beneficiaries of such variation.

Termination:

The Board of Directors may, at its absolute discretion, terminate the Plan or any Grant, or the terms and conditions thereof, at any time. However, to the extent practicable, no termination affecting any Grant already made shall be effected if it is prejudicial to or adversely impacts the rights of the concerned Employee, unless the consent of such Employee is obtained.

22. Consequence of failure to Exercise Options

The amount payable by the Employee, if any, at the time of grant, vesting or exercise of option—

- May be forfeited/cancelled by the Company if the Option is not Exercised by the employee within the Exercise Period; or

- The amount maybe refunded to the Employee if the Options are not vested due to non-fulfilment of conditions relating to Vesting of Option as per the Plan.

23. Listing

The shares arising pursuant to the RSWM Limited Employee Stock Option Plan 2026 shall be listed immediately upon exercise in any recognized stock exchange where the securities of the Company are listed subject to compliance with applicable law.

24. Others

24.1. No right to a Grant

Neither the adoption of the Plan nor any action of the Nomination and Remuneration Committee shall be deemed to give an Employee any right to be granted an Option to purchase Common Stock, to receive a Grant or to any other rights hereunder except as may be evidenced by an Option Agreement duly executed on behalf of the Company, and then only to the extent of and on the terms and conditions expressly set forth therein.

24.2. No Employment Rights Conferred

Nothing contained in the Plan or in any Grant made hereunder shall (i) confer upon any Employee any right with respect to continuation of employment with the Company, or (ii) interfere in any way with the right of the Company to terminate his or her employment at any time.

24.3. No Restriction of Corporate Action

Nothing contained in the Plan 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 Plan or any future Grant under the Plan. No Employee, beneficiary or other person shall have any claim against the Company as a result of such action.

24.4. Tax deduction at source

The Company shall have the right to deduct, in connection with all Grants, any taxes, if any, required by law to be deducted at source and to require any payments necessary to enable it to satisfy such obligations.

Upon giving not less than 15 days' notice to the employee to the amount of tax, the Company shall be empowered to sell such number of Shares as would be necessary to discharge the obligation in the respect of tax deduction at source and appropriate the proceeds thereof on behalf of the employee.

In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.

24.5. Confidentiality

The Employee shall ensure complete confidentiality in respect of all documents, matters and discussions in relation to the Plan, Grant, the Option Agreement or any connected matter. Any violation may result in cancellation of Grant or compulsory retransfer of Shares to a nominee as the Committee may deem fit without prejudice to the other action which may be taken in this regard.

24.6. Insider Trading

The Employee shall ensure that there is no violation of:

- Insider Trading Regulations of the Country and/or the recognized stock exchange on which the shares of the Company are listed.
- Other applicable restrictions for prevention of Fraudulent and/or Unfair Trade Practices relating to the Securities Market.

The Employee shall keep the Company, the Board and the Committee, fully indemnified in respect of any liability arising for violation of the above provisions.

24.7. New Plans

Nothing contained in the Plan shall be construed to prevent the Company directly or through any trust settled by Company, from implementing any other new Employee Ownership Plan which is deemed by the Company to be appropriate or in its best interest, whether or not such other action would have any adverse impact on the Plan or any Grant made under the Plan.

24.8. Issues

In respect of any issues arising in respect of the Plan, the decision of the Board and/or the Nomination and Remuneration Committee shall be final and binding on all concerned.

24.9. Certificate from the Secretarial Auditors

The Board shall, at each annual general meeting, place before the shareholders of the Company a certificate from the secretarial auditors of the Company that the Plan has been implemented in accordance with the Applicable Laws and in accordance with the resolution of the Company in the general meeting.

24.10. No guarantee on Return

Participation in Plan shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the market price of the Shares and the risks associated with the investments are that of the Option Grantee alone.

24.11. Governing Law

The Plan shall be construed in accordance with and subject to the laws of the Republic of India and other applicable laws outside India (in the case of employees posted abroad). The shares issued pursuant to this Scheme shall be governed by the Corporate and Securities Laws of the India and in a case where the Shares are listed on a stock exchange in a country other than India, the laws of the country/stock exchange in which the Shares are listed shall also apply.

The courts in Rajasthan, India shall have the exclusive jurisdiction.

AS ADOPTED BY THE SHAREHOLDERS AS OF _______