

**S P Apparels Limited
("SPAL")**

SPAL Employee Stock Option Plan 2024– Scheme B



1 Name of the Scheme

- 1.1 This Scheme shall be termed as SPAL Employees Stock Option Plan 2024 - Scheme B ("Scheme - B") and has been notified under Clause 4 of the SPAL Employee Stock Option Plan 2024 ("Plan"). This Scheme - B has been notified by the Committee on 26.09.2024. This Scheme - B shall be effective from 26.09.2024 (hereinafter referred to as the "Effective date").

2 Interpretation

Unless the context otherwise requires, terms used in this Scheme – B shall have the same meaning that is defined for such terms under the Plan. Similarly, the construction and interpretation principles contained in the Plan shall also apply to Scheme – B.

- 2.1 "Exercise Price" shall mean the purchase price of each Share payable by the Participant for exercising the Vested Options granted to the Participant in pursuance of the Scheme, as per Clause 7.1 below and shall be communicated in the Grant Letter.
- 2.2 "Exercise Period" shall mean a period of 12 months from the date of vesting of options in the hands of employees subject to Clause 10.2 below.

3 Eligibility

- 3.1 Scheme – B shall cover Employees From Manager and above cadre who have experience more than 10 years in SPAL & Employees from Deputy Manager to Supervisory Staff who have experience more than 15 years in SPAL.
- 3.2 The Committee may also at its discretion exceptionally decide such other Employees who shall be eligible to participate in Scheme – B apart from the employees mentioned in para 3.1 above.

4 Grant of Options

- 4.1 The Committee may at its discretion grant the Options to the identified Eligible Employees considering their period of employment, past performance, roles and responsibilities, job profile, future performance or any other factor which they may deem appropriate, in accordance with the terms and conditions of Scheme –B notified under the Plan for the time being in force.
- 4.2 The Grant of Options to the Eligible Employee upon approval by the Committee shall be made in writing under a Grant Letter and communicated to the Eligible Employee. Such Grant Letter shall state the Grant Date, number of Options offered, the Exercise Price and the Acceptance Period and such other details as maybe deemed necessary by the Committee.
- 4.3 The Committee may at its discretion grant additional Options to Eligible Employees in the following circumstances: (i) Upon promotion; (ii) Special one-time grant ; (iii) For Exceptional Individual / Team performance (iv) Service based grant (interrupted and uninterrupted) or (v) a welcome option grant subject to such terms and conditions as may be prescribed.

5 Method of acceptance

- 5.1 Any Grantee who wishes to accept the Grant made pursuant to Clause 4 above, must deliver an



Acceptance Form, prescribed by the Committee from time to time, duly completed as required therein to the Committee on or before the Closing Date stated in the Grant Letter.

- 5.2 Any Grantee who fails to return the Acceptance Form on or before the Closing Date shall, unless the Committee determines otherwise, be deemed to have rejected the Grant. Any Acceptance Form received after the Closing Date shall not be considered valid unless the Committee determines otherwise.

6 Vesting of Options

- 6.1 Subject to the continuing employment of the Participant and Clauses 13.13 and 14 of the Plan, the Unvested Options shall vest with the Participant as per vesting schedule below:

Sr. No.	Vesting period	Options to be vested
1.	At the end of 12 months from the date of grant	25% of the total number of Options granted
2.	At the end of 24 months from the date of grant	25% of the total number of Options granted
3.	At the end of 36 months from the date of grant	25% of the total number of Options granted
4.	At the end of 48 months from the date of grant	25% of the total number of Options granted

- 6.2 The above vesting schedule shall be subject to satisfactory work performance of the eligible employee.
- 6.3 Upon Vesting, the Vested Options shall be exercisable in accordance with the Clause 13.12, Clause 13.13 of the Plan and Clause 8 of this Scheme.
- 6.4 The vesting of Options can be accelerated at the discretion of the Committee in the circumstances specified in clause 4.3 of this Scheme and for the employees mentioned in clause 3 of this scheme.

7 Exercise Price

- 7.1 The Exercise price payable by the employee with respect to such vested options for the purpose of this Scheme shall be INR 250 per share.
- 7.2 Aggregate Exercise Price shall be paid in full upon the exercise of Vested Options. The payment shall be made by one of the methods specified in Clause 13.7 of the Plan.

8 Exercise Period

- 8.1 The Participant can exercise the Vested Options within the Exercise Period as defined under the Clause 2.2 above.
- 8.2 Any Vested Options not exercised within this aforesaid period shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 9.3 of the Plan shall stand



automatically terminated without any surviving right / liability for any party.

9 Exit

Exit for the Participants will be provided post the event of vesting of the options.

10 Termination of employment

10.1 In the event of Death or Disability / Incapacity of a participant, the vested and / or unvested options shall be governed by the covenants of clause 14.1 and 14.2 of the SPAL ESOP Plan 2024.

10.2 In the event of Resignation, the Participant will get the vested options as of the date of resignation. A window of 30 days would be provided to such employee to exercise such vested options if the participant wishes to continue holding shares. Therefore, the provisions of Clause 8.1 of this Scheme would not be applicable for such employee. Any unexercised options post this period would lapse without any surviving right / liability for any party.

10.3 Any other mode of termination of employment (i.e., attainment of superannuation age, termination for cause, or otherwise) would be governed by the covenants of the Plan (refer respective paras in clause 14 of the Plan).

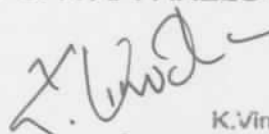
11 Conflict

11.1 In case there is a conflict between the terms of this Scheme and the terms of the Plan, then for the purposes of this Scheme, the terms of this Scheme shall prevail, unless specifically provided otherwise in the Plan.

12 Duration of the Scheme

12.1 This Scheme shall continue for the period as determined by the Committee unless terminated by the Committee.

For S. P. APPARELS LTD.,



K. Vinodhini
Company Secretary
Mem. No. A24522

