

Annexure - I

VIKAS WSP LIMITED

VIKAS EMPLOYEES STOCK OPTION PLAN - 2017 (ESOP-2017)

Certified True Copy

For VIKAS WSP LIMITED

Gurjean Kumar (CA)rn
Company Secretary



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For VIKAS WSP LIMITED

Gujar Kumar
Company Secretary



Employee Stock Option Plan

This Employee Stock Option Plan has been formulated by the Board of VIKAS WSP Limited ("**Company**") and approved by It at its meeting held on **21.03.2017**, and approved by the shareholders at **Extra-Ordinary General Meeting** of the Company held on **21.04.2017**.

1. SHORT TITLE, APPLICABILITY AND TERM

- 1.1 This scheme may be called the "Employees Stock Option Plan- 2017 ("**ESOP - 2017**") which expression shall include any alterations, amendments or modifications hereto from time to time.
- 1.2 It applies only to Eligible Employees of the Company.
- 1.3 The ESOP -2017 shall become effective from **21.04. 2017**, ("**Effective Date**").
- 1.4 The ESOP - 2017 shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the Options (as defined hereinafter) available for issuance under the Scheme 2017 have been issued and Exercised (as defined hereinafter) or have lapsed or have been cancelled by the ESOP Compensation Committee and the ESOP Compensation Committee does not intend to re-issue these lapsed or cancelled Options.
- 1.5 The Board of Directors may, subject to compliance with applicable laws, at any time alter, amend, suspend or terminate ESOP - 2017.

2. PURPOSE

The objective of ESOP - 2017 is:

- (a) to give an opportunity to Employees of the Company to acquire an ownership interests in the Company by purchase of Shares of the Company, thus identifying their interests with those of shareholders
- (b) to provide employees an Incentive, a certain minimum opportunity to gain from the Company's performance, thereby acting as a retention tool
- (c) to enhance the ability of the Company to attract, motivate and retain qualified employees to contribute to its growth and profitability.

3. DEFINITIONS

- 3.1 For the purpose of this ESOP - 2017, unless the context otherwise requires, the following terms shall have the meaning respectively assigned to them as under:
 - 3.1.1 "**Applicable Laws**" Includes every law, rule, regulation or bye-law relating to employee stock options, including, without limitation, the Company Act, 1956 (to the extent not replaced by the notified provisions of the Companies Act, 2013), the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and all the relevant tax, securities, exchange control or corporate laws, rules, regulations or bye- laws of India or any relevant jurisdiction, or of any stock exchange on which the equity shares of the Company are listed or quoted and includes any amendment, modification, alteration or re-enactment made to such laws, rules, regulations or bye-laws.

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For VIKAS WSP LIMITED

Gurjan Kumar Kam
Company Secretary



- 3.1.2 **"Board"** means the Board of Directors of the Company for the time being, which includes any committee constituted by the Board of Directors.
- 3.1.3 **"Company"** means Vikas WSP Limited, a company incorporated under Companies Act 1956, having its registered office at **RAILWAY ROAD, SIWANI, HARYANA-127046 INDIA** and its administration office is **B-86/87, Udyog Vihar, RIICO, Industrial Area, Sri Ganganagar - 335 002.**
- 3.1.4 **"Compensation Committee"** means a Committee of the Board of Directors of the Company, comprising of a majority of Independent Directors, constituted Inter alia for supervising, monitoring and administration in connection with the proper implementation of the ESOP Scheme 2017.
- 3.1.5 **"Director"** means a member of the Board.
- 3.1.6 **"Employee"** means (a) a permanent employee of the Company working in India or out of India; or (b) a director, whether managing / whole time director of the Company or not, but excluding an Independent Director; or (c) an Employee, in India or out of India, but excludes:
- i. an employee who is a Promoter or a person belonging to the Promoter Group;
 - ii. a director who either by self or through relatives or through anybody corporate, directly or indirectly holds more than 10% of the outstanding share capital of the Company.
- 3.1.7 **"Eligible Employee"** means Employee of the Company, as selected by the Compensation Committee under ESOP - 2017, to whom Options are granted under ESOP-2017.
- 3.1.8 **"ESOP-2017"/" ESOP"** means the Vikas Employees Stock Option Plan 2017 of the Company under which the Company is to grant Options to Employees.
- 3.1.9 **"Exercise"** means making of an application by the Option Holder to the Company to purchase or subscribe to the Shares against the Vested Options in him in pursuance of ESOP - 2017.
- 3.1.10 **"Exercise Period"** means the time period after Vesting within which the Option Holder can Exercise his right to apply for Shares against the Options vested in him in pursuance of ESOP - 2017.
- 3.1.11 **"Exercise Price"** means the price payable by the Option Holder for exercising the Option granted to him in pursuance of ESOP - 2017.
- 3.1.12 **"Grant"** means issue of Options to the Eligible Employees under ESOP - 2017.
- 3.1.13 **"Grant Date"** means the date fixed by the Board or the committee as the case may be, to be the date on which the ESOP is extended to any Employee. The date will be specified in the Offer letter issued to Employees.
- 3.1.14 **"Independent Director"** shall have the same meaning assigned to it in section 149(6) of the Companies Act, 2013 as amended time to time.

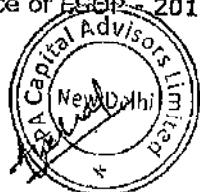


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For VIKAS WSP LIMITED

Harish Kumar Kataria
Company Secretary

- 3.1.15 "**Letter of Grant**" means the letter issued by the Company intimating the Eligible Employee of the Options granted to him.
- 3.1.16 "**Nominee**" or "**Nominees**" means the spouse, any child of the Employee or any other person nominated by the Employee as provided hereinafter.
- 3.1.17 "**Option**" means a stock option granted by the Company pursuant to the ESOP - 2017, which would be convertible into Shares. This is a right but not an obligation of the Eligible Employee under ESOP - 2017 to apply for and be allotted Shares of the Company at a future date at the Exercise Price, during the Exercise Period, subject to the requirements of Vesting. Each Option granted would represent the right to apply for one share.
- 3.1.18 "**Option Holder**" means the holder of an outstanding Option granted pursuant to the ESOP - 2017.
- 3.1.19 "**Permanent Disability**" means, with respect to a person, any disability whether physical or mental or otherwise which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which such Employee was capable of performing immediately before such disablement, as determined by the Committee or Managing Director, based on a certificate of a medical expert.
- 3.1.20 "**Promoter**" shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- 3.1.21 "**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, 2009.
- 3.1.22 "**Retirement**" means retirement of an Employee as per the rules of the Company.
- 3.1.23 "**SEBI Regulations**" means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and includes all circulars, notifications and clarifications issued there under.
- 3.1.24 "**SEBI ICDR Regulations**" means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 including any statutory modification or re-enactment thereof.
- 3.1.25 "**Share(s)**" means equity shares of the Company.
- 3.1.26 "**Stock Exchange**" means the BSE Limited, or any other Stock Exchange in India as agreed by the Board on which the Company's Shares are listed or to be listed.
- 3.1.27 "**Unvested Option**" means an Option in respect of which the relevant Vesting Period is not over and in which the Option Holder has not become eligible to Exercise.
- 3.1.28 "**Vesting**" means the process by which the Option Holder is given the right to apply for Shares of the Company pursuant to the Option granted to him in pursuance of ESOP - 2017.



For VIKAS WSP LIMITED

Gujjar Kumar Karn
Company Secretary

3.1.29 "Vested Option" means an Option in respect of which the relevant Vesting Period is over and which the Option Holder has become eligible to Exercise.

3.1.30 "Vesting Period" means the period during which the vesting of the Options Granted to the Employee takes place, in pursuance of the ESOP 2017, being not less than one year from the date of Grant of Options by the Committee.

All other expressions unless defined herein shall have the same meaning as have been assigned to them under the SEBI Regulations, the SEBI Act, 1992 or the Securities Contracts (Regulation) Act, 1956 or the Companies Act, 2013, or the SEBI ICDR Regulations or any statutory modification or re-enactment thereof, as the case may be.

4. INTERPRETATION

In ESOP - 2017, unless the contrary intention appears:

- 4.1 the Clause headings are for ease of reference only and shall not be relevant to interpretation;
- 4.2 a reference to a Clause number includes a reference to its Sub-Clauses;
- 4.3 words in the singular include the plural and vice versa, if the context so requires;
- 4.4 words importing a particular gender include any other gender;
- 4.5 a reference to a Clause or a Sub-Clause, unless otherwise specified, is a reference to a Clause or Sub-Clause as the case may be of this ESOP 2017;
- 4.6 any reference to any legislation, statute, statutory provision shall be construed as a reference to such provisions as from time to time amended, consolidated, modified, extended, re-enacted or replaced;
- 4.7 all decisions, determinations and interpretations of the Compensation Committee shall be final and binding on all Employees.

5. SCOPE AND ELIGIBILITY

- 5.1 The ESOP - 2017 shall apply to all Eligible Employees. The Compensation Committee will determine the Grant in its absolute discretion after considering the performance rating, hierarchy and responsibilities of the employee, period of association with the Company, individual contribution towards the Company's business performance and potential for growth of Employees.
- 5.2 The ESOP Compensation Committee may, on such dates as it shall determine, Grant to such eligible Employees, Options on the terms and conditions and for the consideration as it may decide, subject to compliance with Applicable Law. The Employee identified for Grant of Options shall be furnished with: (i) the Letter of Grant; (ii) the disclosures prescribed under the SEBI Regulations including the salient features of the ESOP 2017; (iii) the ESOP Code of Conduct; (iv) Nomination Form and such other documents as may be prescribed by the ESOP Compensation Committee.

An Employee who wishes to accept the Grant made, must signify his acceptance in the manner specified by the ESOP Compensation Committee within 30 days from the Grant Date. Any Employee, who fails to communicate his acceptance within the



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Vijay Kumar Khera
Company Secretary

stipulated time, is deemed to have rejected the Grant unless otherwise determined by the ESOP Compensation Committee.

6. ADMINISTRATION OF ESOP - 2017

- 6.1 The Committee shall in exercise of the powers conferred to it by the Board, supervise, manage and administer the ESOP - 2017.
- 6.2 Notwithstanding anything stated herein, but subject to the terms of the special resolution passed by the shareholders at Extra-Ordinary General Meeting of the Company held on 21.04.2017 approving of the Issue of Shares to the Eligible Employees under this ESOP - 2017 and the SEBI Regulations, the Committee has been authorised to and shall determine at its absolute discretion all the terms governing the ESOP - 2017 including any variation thereof in accordance with the SEBI Regulations, including but not limited to the following -
- 6.2.1 To select the Eligible Employees to whom the Options are to be granted.
- 6.2.2 The number of Options to be granted to the Eligible Employees.
- 6.2.3 Terms and conditions for Vesting and Exercise of Options by the Eligible Employee.
- 6.2.4 Adjustments of Options and Exercise Price in case of corporate actions including, rights issues, bonus issues, merger, demerger etc.
- 6.2.5 the grant, vest and exercise of option in case of eligible employees who are on long leave;
- 6.2.6 decide the number of Options to be granted in any one year, provided that a grant of Options to the Optionees, equal to or exceeding 1% of the issued capital (excluding warrants and conversions) of the Company at the time of grant of Option shall be approved by the shareholders, by way of a separate resolution
- 6.2.7 delegate all or any of its administrative powers to one or more officers of the Company and/or to one or more sub-committees.
- 6.2.8 Framing of all other relevant and appropriate procedures for the Grant, Vesting and Exercise of Options.
- 6.2.9 Framing suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including the SEBI (Prohibition of Insider Trading) Regulations, 1992 and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the Company and the Employees, as applicable
- 6.3. The number of members of the ESOP Compensation Committee and their powers and functions can be specified, varied, altered or modified from time to time by the Board of Directors of the Company, subject to Applicable Law.
- 6.4. The ESOP Compensation Committee may appoint a third party or settle an Irrevocable trust to administer the scheme and support employee communication, on its behalf.



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For VIKAS WSP Limited

Gurjan Kumar Kaur
Company Secretary

7. MAXIMUM TOTAL NUMBER OF SHARES TO BE ISSUED

The aggregate number of Shares, which shall be issued under the ESOP - 2017, shall not exceed 1,00,00,000 Shares of face value Re. 1/- each on such terms and conditions, at such price and in one or more tranches in accordance with ESOP - 2017 and the Applicable Laws if any, as may be prevailing at that time.

Where Shares are issued consequent upon Exercise of an Option under the ESOP-2017, the maximum number of Shares that can be issued under the ESOP-2017 as referred above will stand reduced to the extent of such Shares issued.

8. OPTIONS

8.1. Grant of Options

8.1.1. The Options shall be granted to Eligible Employees under ESOP - 2017 by the Committee in accordance with the terms and conditions of the ESOP-2017. The maximum number of Options to be granted per Eligible Employee of the Company will be as per the recommendation made by the Committee but in no event shall exceed such options which entitle him to voting right of 1% or more of the issue capital in any single calendar year.

8.1.2. Each Option will entitle the Eligible Employee to receive one Equity share of the Company.

8.1.3. The employee shall communicate his acceptance within 7 working days from the date of offer, specifying the number of Options accepted. If the Employee does not communicate his acceptance within time stipulated, the offer shall lapse.

8.1.4. The offer of Grant of Options by the Committee to the Eligible Employee shall be made in writing and communicated to the Eligible Employee through Letter of Grant. Such Letter of Grant shall state the number of Options granted, the Exercise Price, the vesting period and conditions of vesting.

8.2. Vesting of Options

8.2.1. The Options shall vest in the Eligible Employee over a period of 1 years from the date of grant. The minimum vesting period shall be one year from the date of Grant of Options. All Options granted will vest to the Eligible Employee subject to the condition of continued employment of Eligible Employee during the Vesting Period.

8.2.2. Notwithstanding anything else contained herein, following rule shall be governed in the below mentioned cases:

- a. In the event of death of Eligible Employee while in employment of the Company, all the Options granted to him till the date of death shall vest in the nominee nominated by such Eligible Employee and in case of absence of any nominee, in the legal heirs. The Employee concerned shall appoint such Nominee(s) as per the norms and guidelines prescribed the ESOP Compensation Committee. The employee also has a right to revoke such nomination at any time and a fresh nomination may be made on such revocation.



For VIKAS WSP LIMITED

Sanjay Kumar Sharma
Company Secretary

- b. In the case an Eligible Employee suffers Permanent Disability while in the employment of the Company, all the Options granted to him till the date of such Permanent Disability shall vest in him.

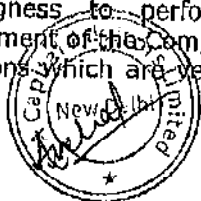
8.3. Determination of Exercise Price

The Option Exercise Price would be determined by the ESOP Compensation Committee, provided that the Exercise Price per Option shall not be less than the face value of the Equity Shares of the Company as on the date of Grant of Options.

The Option Exercise Price, as determined by the ESOP Compensation Committee will be appropriately specified in the relevant Letter of Grant given to the Grantee at the time of the Grant of Options.

8.4. Exercise Period and the process of Exercise

- 8.4.1. Except as otherwise mentioned in this ESOP - 2017, the Options granted shall upon Vesting be available for Exercise during the Exercise Period.
- 8.4.2. The Exercise Period shall commence from the date of expiry of Vesting Period and will continue upto 5 years thereafter.
- 8.4.3. The Option Holder shall make an application to the Company for the Exercise of Options. Exercise Price may be paid by way of cheque or demand draft or electronic transfer.
- 8.4.4. Option Holder may Exercise Options in one or more tranches during the Exercise Period.
- 8.4.5. Option will lapse if not exercised within specified Exercise Period.
- 8.4.6. Notwithstanding anything contained above, Exercise of Options in the case of separation of an Eligible Employee from the employment of the Company shall be governed by following rules:
- a) In the event of the death of an Eligible Employee, while in employment of the Company, all Options granted to him may be exercised by his legal heirs or nominee, as the case may be, and would vest immediately. Such Options would be exercisable at any time by the Eligible Employee's nominee or legal heir immediately, but in no event later than 3 months from the date of death. The Eligible Employee may name any suitable person as his nominee by submitting the Nomination Form to the Company.
 - b) In the event of Permanent Disability of an Eligible Employee, all Options granted to him would vest immediately on the day of suffering the Permanent Disability. The Options would be exercisable immediately but in no event later than 3 months from the date of such Permanent Disability.
 - c) In the event of termination of employment of Eligible Employee for reasons of misconduct, which shall include the commission of a crime involving moral turpitude, theft, fraud or deceit or conduct that has an adverse effect on the Company's reputation, substantial or continued unwillingness to perform duties reasonably directed by the management of the Company, gross negligence or deliberate misconduct; all Options which are vested or unvested at the time of termination of



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Lurjan Kumar Xam
Company Secretary

employment, shall expire and stand terminated with effect from the date of such termination.

- d) In the case of retirement of Eligible Employee, he may at any time within 3 months from the date of retirement Exercise the Options which are vested in him. However, if an Eligible Employee retires before expiry of Vesting Period, then he can Exercise the Options granted at any time within 3 months after expiry of Vesting Period.
- e) In the event of resignation or termination of Employee, all Options, which are Vested or Unvested as on the date of resignation, shall expire and stand terminated forthwith.
- f) In the event of abandonment of service by Eligible Employee all Options (vested or unvested) at the time of abandonment of service, shall stand terminated forthwith. The date of abandonment of Option Holder shall be decided by the Company/Committee at its sole discretion which decision shall be binding on such Eligible Employee.

8.5. Allotment of Shares

On receipt of application complete in all respects, the Company will allot Shares to the Eligible Employees in compliance of the Applicable Laws.

9. CORPORATE ACTION RESULTING IN CHANGE IN CAPITAL STRUCTURE

The Committee shall undertake the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of such corporate actions including reconstitution, amalgamation, sell-off, Bonus issue or sub division etc.

10. NON-TRANSFERABILITY OF OPTIONS

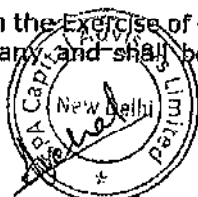
- The Options held by the Eligible Employee are not transferable to any person except by will, nomination or laws of descent and distribution. The Options cannot be pledged, hypothecated, charged, mortgaged, assigned, alienated or disposed off in any other manner.
- No transfer of options by will, nomination or the laws of descent and distribution shall be effective to bind the Company unless the Company has been furnished with written notice thereof.
- There will be no restriction on transferability of shares after the employee has exercised his right to convert the options into shares and has received such shares.

11. Lock-in Period

There will be no lock-in period in respect of the Shares, which may be issued and allotted on exercise of the Options granted pursuant to this ESOP 2017.

12. RANKING OF SHARES, RIGHTS OF OPTION HOLDERS

The Shares arising on the exercise of Options shall rank *pari-passu* with all the existing Shares of the Company and shall be eligible for listing as the ~~equity~~ Shares of the Company.



For VIKAS WSP LIMITED

Gurpreet Kaur Kaur
Company Secretary

13.ACCOUNTING POLICIES

The Company shall conform to the accounting policies as specified under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 from time to time.

14.VARIATION OF TERMS

Subject to applicable law, the Committee will at its absolute discretion have the right to modify/amend/terminate the ESOP - 2017 in such manner and at such time or times as it may deem fit, except however that any such modification/amendment shall not be detrimental to the interest of the Eligible Employees and approval wherever required for such modification and/or the amendment or termination is obtained from the shareholders of the Company in terms of the SEBI Regulations.

15.TAX WITHHOLDING

All Options granted under the ESOP - 2017 shall be subject to deduction of applicable tax as per the Applicable Laws.

The Option Holder is liable to make good to the Company tax paid or payable by the Company, as per the Applicable Laws or any other tax levy in respect of Exercise of such Options.

16.GENERAL RISKS

Participation in ESOP - 2017 shall not be construed as any guarantee of return on the equity investment. Any loss due to fluctuations in the Market Price of the Shares and the risks associated with the investments is that of the Option Holder alone.

17.DISPUTE RESOLUTION

Any dispute, discrepancy or disagreement which shall arise under, or as a result of, or pursuant to, or in connection with ESOP - 2017 shall be determined by the Managing Director and any such determination, decision and/or interpretation by the Managing Director shall be final and binding on all persons affected thereby.

18.GENERAL

The Company will value its options on the basis of intrinsic value.



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For VIKAS WSP LIMITED

Arjun Kumar Rao
Company Secretary