

**BHARAT WIRE ROPES LIMITED**

Registered Office:- Plot no. 4, MIDC, Chalisgaon, Village Khadki, -BK, Taluka  
Chalisgaon District Jalgaon, 424101, Maharashtra

**BHARAT WIRE ROPES LIMITED - EMPLOYEES STOCK OPTIONS  
PLAN 2022 (BWRL ESOP POLICY 2022)**

For Bharat Wire Ropes Ltd

  
Company Secretary



## Table of Contents

1. NAME, OBJECTIVE AND TERM OF THE POLICY.....	3
2. EFFECTIVE DATE AND TERM OF POLICY.....	3
3. DEFINITIONS AND INTERPRETATION.....	4
4. AUTHORITY .....	10
5. ADJUSTMENTS ON ACCOUNT OF CORPORATE ACTIONS.....	11
6. ADMINISTRATION.....	11
7. ELIGIBILITY AND APPLICABILITY.....	14
8. GRANTS OF OPTION.....	14
9. METHOD OF ACCEPTANCE.....	15
10. VESTING SCHEDULE AND VESTING CONDITIONS.....	16
11. VESTING OF OPTIONS IN CASE OF LONG LEAVE.....	16
12. EXERCISE .....	16
13. PROVISIONS RELATING TO EXERCISE OF OPTIONS.....	17
14. SETTLEMENT OF EXERCISED OPTIONS.....	20
15. LAPSES OF OPTION.....	20
16. TRANSFERS.....	20
17. OTHER TERMS & CONDITIONS.....	20
18. TAXATION.....	21
19. AUTHORITY TO VARY TERMS .....	21
20. MISCELLANEOUS .....	22
21. DISCLOSURES.....	23
22. NOTICES.....	23
23 GOVERNING LAWS & JURISDICTION.....	24
24. INCOME TAX RULES.....	25
25. TENURE.....	25
26. SEVERABILITY.....	25
27. ACCOUNTING POLICY.....	25
28. CERTIFICATE FROM AUDITOR.....	26
29. ARBITRATION.....	26
30. CONFIDENTIALITY .....	27



1) Name, Objective and Term of the BWRL ESOP Policy 2022

- a) This Plan shall be referred to herein as the "Bharat Wire Ropes Limited – Employees Stock Options Plan 2022" or "BWRL ESOP Policy 2022 or the Policy."
- b) Bharat Wire Ropes Limited ("BWRL" or "the Company") has set up this plan of stock options for such eligible employees and other persons as specified later herein. The objective is to attract, reward, retain and incentivize the best talent in the industry for improving their performance of services to the Company and thereby motivating them to contribute to the growth and profitability of the Company. The BWRL ESOP Policy 2022 provides for issue of Stock Options that are exercisable at a specified price and subject to specified other terms.
- c) This document is to be read with and be an integral part of such other documents including letter of offer, agreements and decisions of the Board/Nomination and Remuneration Committee as may be made/modified from time to time. Within the framework of this BWRL ESOP Policy 2022, the Board/ Nomination and Remuneration Committee may provide at its discretion for such specific and/or general terms that may be applicable to all persons, a group of persons or an individual person to whom stock options may be issued hereunder.

2) Effective Date and Term of Policy

- a) On recommendation of the Nomination and Remuneration Committee, the Board and its shareholders of the Company vide special resolution passed at Extra Ordinary General Meeting held on October 20, 2022 have duly approved the setting up and implementation of BWRL ESOP Policy 2022. This BWRL ESOP Policy 2022 has come into force with effect from September 23, 2022 and shall continue to be in force until (i) subject to applicable laws, its termination by the Board / Nomination and Remuneration Committee of the Board; or (ii) the date on which all of the Options available for issuance under the BWRL ESOP Policy 2022 have been issued and Exercised or lapsed, whichever is earlier.
- b) The Board/Nomination and Remuneration Committee may, subject to the



approval of members in the general meeting and in compliance with Applicable Laws, at any time alter, amend, suspend or terminate the Policy.

### 3) Definitions and Interpretation

#### a) **Definitions**

The terms defined in this Plan shall for the purposes of this Plan , have the meanings herein specified and terms not defined in this Plan shall have the meanings as defined in the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "SEBI SBEB Regulations"), or any statutory modifications or re-enactments thereof, as the case may be.

- i. "Act" means the Companies Act, 2013 & Rules framed thereto and includes any statutory modifications or re-enactments thereof.
- ii. "Accrued Options" shall mean such Unvested Options that become due for Vesting upon completion of the period stipulated in the Plan, if any.
- iii. "Agreement" means the employee agreement between the Company and the Employee evidencing the terms and conditions of the Options granted. The Agreement is subject to the conditions of BWRL ESOP Policy 2022.
- iv. "Applicable Law" means every law relating to Employee Stock Options in force, including, but not limited to the Companies Act, 2013 and including any statutory modifications or re-enactments thereof, the Securities Exchange Board of India Act, 1992, the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended 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.



- v. "Board" means the Board of Directors of the Company.
- vi. BWRL ESOP Policy 2022" means this Bharat Wire Ropes Limited - Employee Stock Option Scheme Policy 2022 under which the Company is authorized to grant Employee Stock Options or Options to the eligible Employees.
- vii. "Companies Act" means the Companies Act, 2013 and includes any statutory modifications or re-enactments thereof.
- viii. "Company" means Bharat Wire Ropes Limited, a Company incorporated under the provisions of the Companies Act, 1956 having its Registered Office at Plot no. 4, MIDC, Chalisgaon, Village Khadki, -BK, Taluka Chalisgaon District Jalgaon, 424101, Maharashtra.
- ix. "Company Policies/Terms of Employment" means the Company's policies for the Employees and the terms of employment as contained in the employment letter or similar document issued to the Employee at time of joining the employment and such other general and specific rules, circulars, code of conduct, terms of employment and other directions issued by the Company from time to time to Employees generally or specifically to a group of Employees or an individual Employee.
- x. "Corporate Action" shall have the same meaning as understood under the SEBI Regulations.
- xi. "Director" means a member of the Board of the Company.
- xii. "Eligibility Criteria" means the criteria as may be determined from time to time by the Nomination and Remuneration Committee for granting the Options to the Employees.
- xiii. "Employee" means (i) a permanent employee of the Company working in India or outside India; or (ii) a director of the Company, whether whole time/executive director or not; but excludes- (a) an employee who is a Promoter or belongs to the Promoter Group; (b) 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 Shares of



the Company; (c) an independent director within the meaning of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as prescribed by Securities Exchange Board of India (SEBI), as applicable; and

- xiv. "Employee Stock Option" or "Option" means the option granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the equity shares underlying the Option at a pre-determined price.
- xv. "Exercise" of an Option means expression of an intention by an Employee to the Company or to the Trust, if any to purchase the Shares underlying the Options vested in him, in pursuance of this BWRL ESOP Policy 2022, in accordance with the procedure laid down by the Company for Exercise of Options.
- xvi. "Exercise Period" means such time period after Vesting within which the Employee should Exercise the Options vested in him in pursuance of this BWRL ESOP Policy 2022.
- xvii. "Exercise Price" means the price payable by the Employee in order to Exercise the Options granted to him in accordance with this BWRL ESOP Policy 2022.
- xviii. "Fraud/Misconduct shall mean negligence, professional misconduct, breach of trust, moral turpitude, committing or abetting any illegal activity, violating any Company policy or terms of employment or any other applicable code of conduct, absence from office for a substantial period of time without any valid reason or authority, or any other actions or circumstances of similar nature as may be decided by the Committee in its absolute discretion.
- xix. "General Meeting" means a general meeting (including extraordinary general meeting) of the shareholders of the Company held in accordance with the Articles of Association of the Company and the Applicable Laws.
- xx. "Grant" means the process by which the Company issues Options to the



Employees under the BWRL ESOP Policy 2022.

- xxi. "Grant Date/Date of grant" means the date of the meeting of the Nomination and Remuneration Committee in which grant of Options to the employees is approved.
- xxii. Grant Letter "or "Notice of Option Grants" means the letter to be issued by the Company to the Grantee either in physical or electronic form intimating of the Grant of Options Granted to him, draft of which is as provided in Schedule-I;
- xxiii. "Independent Director" means a Director(s) of the Company as defined in Regulation 16 (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 2(47)& section 149 (6) of the Companies Act 2013;
- xxiv. "Long Leave" shall mean approved leave by the management for a continuous period of one month or above.
- xxv. "Market Price" shall have the same meaning as ascribed to it under the SEBI SBEB Regulations
- xxvi. "Nomination and Remuneration Committee (NRC)" means the Committee of the Board of Directors formed within the meaning of Section 178 of the Act, 2013 read with rules made and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for administration and superintendence of the Policy / Employee Stock Option Plan.
- xxvii. "Option Grantee" means an Employee who has been granted an Employee Stock Option in pursuance of this BWRL ESOP Policy 2022.
- xxviii. "Permanent Incapacity" means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Option Grantee from performing any specific job, work or task which the said Employee was capable of performing immediately before occurrence of such disability, as determined by the Nomination and Remuneration Committee based on a certificate of a medical expert identified by the Nomination and Remuneration Committee.



xxix. "Promoter" has the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

xxx. "Promoter Group" has the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Provided where the Promoter or Promoter Group of a company is a body corporate, the promoters of that body corporate shall also be deemed to be Promoters of such company.

xxxi. "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 notice of Exercise is given to the Company by the Employee;

xxxii. "Retirement" means retirement as per the Company Policies/Terms of Employment.

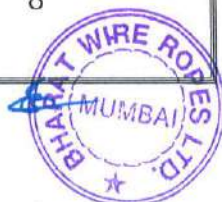
xxxiii. "SEBI Act" means the Securities & Exchange Board of India Act, 1992, as amended, and includes all regulations and clarifications issued there under from time to time.

xxxiv. "SEBI SBEB Regulations" means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and includes all regulations and clarifications issued there under.

xxxv. "Shares" means equity shares of the Company arising out of the Exercise of Options granted under the BWRL ESOP Policy 2022.

xxxvi. "Stock Exchange" means the National Stock Exchange of India Limited (NSE), BSE Limited (BSE), or any other stock exchange in India on which the Company's Shares are listed from time to time.

xxxvii. "Unvested Options" 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 Options.



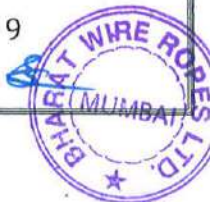


- xxxviii. "Termination Date" shall mean the date of termination (being the last working day) of employment of the Participant with the Company.
- xxxix. "Vest" or "Vesting" means earning by the Option Grantee, of the right to Exercise the Options granted to him in pursuance of this BWRL ESOP Policy 2022.
- xl. "Vesting Condition" means the conditions subject to which the Options granted would vest in an Option Grantee.
- xli. "Vesting Period" means the period during which the vesting of the Options granted to the Option Grantees in pursuance of this BWRL ESOP Policy 2022 takes place.
- xlii. "Vested Options" means an Option in respect of which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible to Exercise the rights.

**b) Interpretation**

In this BWRL ESOP Policy 2022, 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. reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.
- f. Reference to any Act, Rules, Statute or Notification shall include any statutory modification, substitution or re-enactment thereof.
- g. a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference



#### 4) Authority, Ceiling

- a) The shareholders of the Company vide a special resolution passed on October 20, 2022 have duly authorized the Board/ Nomination and Remuneration Committee to issue to the Employees, such number of Options under the BWRL ESOP Policy 2022 as would be exercisable into not more than 30,00,000 (Thirty Lakhs only) fully paid-up equity shares in the Company, in aggregate, of face value of Rs. 10/- (Rupees Ten) each, to be issued and allotted by the Company (herein after referred as "Equity Shares"), at such Exercise Price, in one or more tranches and on such terms and conditions, as may be determined by the Board/Nomination and Remuneration Committee in accordance with the provisions of this BWRL ESOP Policy 2022, SEBI SBEB Regulations and in due compliance with other Applicable Laws and regulations.
- b) The Nomination and Remuneration Committee is empowered by the Board to formulate detailed terms and conditions of this BWRL ESOP Policy 2022, administer and supervise the same.
- c) The Nomination and Remuneration Committee shall meet as required for the purpose of administering the BWRL ESOP Policy 2022.
- d) The number of Options that may be offered to any specific Employee in any single year shall be lesser than 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of Options under BWRL ESOP Policy 2022.
- e) If an Employee Stock Option expires or becomes un-exercisable due to any other reason, it shall become available for future Grants, subject to compliance with all Applicable Laws. The Nomination and Remuneration Committee will have powers to re-grant such Options.
- f) Where Shares are issued consequent to an Exercise of an Option under the BWRL ESOP Policy 2022, the maximum number of Shares that can be issued under BWRL ESOP Policy 2022 as referred to in Clause (a) above read with Clause 5 will stand reduced to the extent of such Shares issued.
- g) The Board/ Nomination and Remuneration Committee, as per applicable



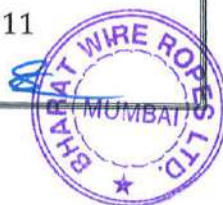
rules, regulations and provisions, may increase the size of maximum number of options available for grant under this policy.

**5) Adjustment on account of corporate actions**

- a) In case of a share-split where the face value of the shares is reduced below Rs. 10/-, the maximum number of shares available for being granted and the Exercise Price under BWRL ESOP Policy 2022 shall stand modified accordingly, so as to ensure that the cumulative face value (Number of shares X Face value per share) and Exercise Price payable prior to such split remains unchanged after the share split.
- b) In case of a consolidation where the face value of the shares is increased above Rs. 10/-, the maximum number of shares available for being granted and the Exercise Price under BWRL ESOP Policy 2022 shall stand modified accordingly, so as to ensure that the cumulative face value (Number of shares X Face value per share) and Exercise Price prior to such consolidation remains unchanged after the share consolidation.
- c) In all other cases of corporate actions such as bonus, merger, sale of division and other such corporate actions, the Company shall make a fair and reasonable adjustment to the number of Options and/or the Exercise Price of Options such that total value to the Employee of the Options remains the same after such corporate action. Further, in such case, the vesting period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Employees who are granted such Options. The Nomination and Remuneration Committee may, if it deems fit, in such a case take advice of its merchant banker for such purposes.

**6) Administration**

- a) This BWRL ESOP Policy 2022 shall be administered by the Nomination and Remuneration Committee. All the functions relating to administration and superintendence of this BWRL ESOP Policy 2022 shall stand vested with the Nomination and Remuneration Committee in which case the rights, powers, duties or liabilities of the Board to the extent delegated shall be discharged by the said Nomination and Remuneration Committee. All questions of interpretation of this BWRL ESOP Policy 2022



shall be determined by the Nomination and Remuneration Committee and such determination shall be final and binding upon all persons having an interest in this BWRL ESOP Policy 2022.

- b) The Nomination and Remuneration Committee shall, in accordance with this BWRL ESOP Policy 2022 and Applicable Laws, determine the following:
- i. The quantum of Employee Stock Options to be granted under this BWRL ESOP Policy 2022 from time to time to any Employee or group of Employees, subject to a limit as specified in Clause 4(a) of this BWRL ESOP Policy 2022;
  - ii. The Eligibility Criteria;
  - iii. the time when the Options are to be granted;
  - iv. the number of Options to be granted to each Option Grantee;
  - v. the terms and conditions subject to which the Options granted would vest to the Option Grantee;
  - vi. the date of vesting of the Options granted;
  - vii. the lock in period, if any, on the equity shares as allotted pursuant to exercise of Options in respect of each individual grant of Options or for a group of grants generally.
  - viii. obtaining permissions from, making periodic reports to regulatory authorities, as may be required and ensuring compliance with all guidelines applicable to the ESOP Scheme;
  - ix. The procedure for making a fair and reasonable adjustment in case of corporate actions such as merger, sale of division, stock split / consolidation, rights issues, bonus issues and others;
  - x. The procedure and terms for the Grant, Vest and Exercise of Options in case of Option Grantees who are on a long leave;
  - xi. Alter/modify the terms and conditions of Options granted or of subsequent grants, subject to the condition that no fresh issuance of



Shares will be made under the Policy unless the Shares of the Company are listed on a recognized stock exchange in India, and any Option so granted shall not result in a change in shareholding % of respective Shareholders prior to the shares being listed;

- xii. The approved forms, writings and/or agreements for use in pursuance of this BWRL ESOP Policy 2022.
- xiii. suitable policies and procedures to ensure that there is no violation of the securities 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 its Employees, as applicable.
- xiv. Take any other actions and make any other determinations or decisions that it deems necessary or appropriate in connection with the Policy or the administration or interpretation thereof;
- xv. Decide all other matters that must be determined in connection with an Option under the Policy;
- xvi. Administer and reconcile any inconsistency in the Scheme; and
- xvii. Perform such other functions and duties as shall be required under the Applicable Laws.

All the decisions made by the NRC in the matter referred to above shall be conclusive and binding on all the parties concerned (including, but not limited to, Grantees and/ or Participants and their beneficiaries or successors). The NRC shall be guided by the considerations / recommendations as may be stipulated by the Board and/ or the Shareholders at the time of approval of this Scheme.



- c) The Nomination and Remuneration Committee may appoint a Compliance Officer to carry out such acts in connection with the administration of the BWRL ESOP Policy 2022 as it may specify from time to time. The Nomination and Remuneration Committee may also appoint in addition or jointly with the Compliance Officer such other persons to carry out such acts as relevant to administration of the BWRL ESOP Policy 2022 as it may deem fit from time to time.

**7) Eligibility and Applicability**

- a) Only Employees are eligible for being granted Employee Stock Options under BWRL ESOP Policy 2022. The specific Employees to whom the Options would be granted, their eligibility criteria, the number of Options, the terms and conditions of such grant (generally or for any specific Employee), etc. would be determined by the Nomination and Remuneration Committee at its sole discretion.
- b) The Nomination & Remuneration Committee shall formulate and implement from time to time an appraisal process for determining the categories/individuals amongst the Eligible Employees who should be granted Stock Options, the quantity of Stock Options that may be granted to them and on the terms of such Stock Options. Such process shall include past performance and tenure, work profile, performance targets where relevant, and such other quantitative, qualitative and discretionary criteria as the Nomination & Remuneration Committee may generally or specifically lay down. The Nomination & Remuneration Committee shall also periodically monitor the performance of employees in accordance with criteria laid down.
- c) This BWRL ESOP Policy 2022 shall be applicable to the Company in India and abroad as determined by the Nomination and Remuneration Committee at its sole discretion.

**8) Grant of Options**

- a) The board/nomination and remuneration committee may grant the options to an option grantee who is an employee in accordance with the terms and conditions of this policy for the time being in force.



- b) During any one year, the Board may Grant the Options not exceeding 1% of the issued capital (excluding outstanding warrants, equity linked instrument and conversions) of the Company at the time of Grant of Options to the Employees as may be approved by the Board/Nomination and Remuneration Committee. In case it is equal to or its exceeds 1% in any one year for any Employee, the same has to be subject to approval of members by way of special resolution and any other approval required under the Applicable Laws.
- c) Each Option will entitle the Option Grantee to subscribe for / receive Shares of the Company as per the terms and conditions of this policy.
- d) The offer of Grant of the Options by the Board/Nomination and Remuneration Committee to the Option Grantee shall be made and communicated to the Option Grantee via issue of a Grant Letter by the Company to such Option Grantee. Such a Grant Letter shall state the number of Options granted, the Grant Date, the Exercise Price, vesting details and the Closing Date of accepting the offer.

**9) Method of Acceptance**

- a) Any Option Grantee, who wishes to accept an offer made via the Grant Letter issued under this Policy, must deliver an Acceptance Form prescribed by the Board/Nomination and Remuneration Committee and duly filed as required therein to the Board/Nomination and Remuneration Committee on or before the Closing Date stated in the Grant Letter.
- b) Any Option Grantee, who fails to return the Acceptance Form on or before the Closing Date, shall be deemed to have rejected the offer unless the Board/Nomination and Remuneration Committee determines otherwise.
- c) Upon receipt of a duly completed Acceptance Form from the Option Grantee in respect of the Grant, the Option Grantee will become a Participant. The Board/Nomination and Remuneration Committee may then issue to the Participant a statement, in such form as it deems appropriate, showing the number of Options to which the Participant is entitled pursuant to the acceptance of such offer and the number of Shares



to which the Participant will be entitled to subscribe pursuant to exercise of such Options.

**10) Vesting Schedule / Conditions**

- a) Options granted under this BWRL ESOP Policy 2022 would Vest after such period as specified in the Letter of Grant being not less than one year but not later than five years from the date of grant of such Options as detailed in Schedule II
- b) Vesting of Options would be subject to continued employment with the Company, as the case may be, on the date of vesting.
- c) The specific Vesting schedule and Vesting conditions subject to which Vesting would take place would be specified in the document given to the Option Grantee at the time of Grant of Options.
- d) The vesting schedule may be revised by the Nomination Remuneration Committee as and when required.

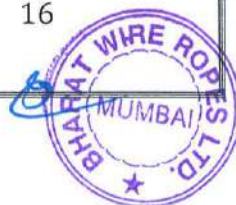
**11) Vesting of Options in case of Employees on long leave**

The period of leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical in respect of which prior approval in writing has been obtained by such Employee from the Company. 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 Nomination and Remuneration Committee.

**12) Exercise**

a) Exercise Price

- i. The Exercise Price shall be specified in the letter/agreement given to the Option Grantee at the time of Grant of Options. The Exercise price shall be equal to or lower than the closing market price on the Stock Exchange on the date of the grant as may be decided by the Nomination and Remuneration Committee at its discretion from time to time. However, the Exercise Price shall not be less than the face





value of the Shares.

- ii. Further, the Committee has the power to reprice the grants in future if the Grant made under the Plan is rendered unattractive due to the fall in the price of Shares in the Stock Market.
  - iii. Suitable discount may be provided or premium may be charged on the price as arrived above, as deemed fit by the Committee for the finalization of the Exercise Price.
- a) Payment of the Exercise Price and any other amount under this BWRL ESOP Policy 2022, if any, shall be made by a demand draft drawn in favour of the Company or online payment / wire transfer of funds, or in such other manner as the Nomination and Remuneration Committee may permit.

### **13) Provisions relating to Exercise of Options**

- a) The Options granted may be exercised by the Option Grantee at any time within the period determined by the Nomination and Remuneration Committee from time to time subject to a maximum period of one year from the date of Vesting of the respective Options and as specified in the grant letter/agreement to individual employees. The Shares issued upon Exercise of Options shall, unless a lock in period is specified under the letter of grant/agreement, be freely transferable and will not be subject to any lock-in period after such Exercise 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 read with Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended or replaced from time to time or such other period as may be stipulated from time to time in terms of Company's Insider Trading Code of Conduct. Where a lock in period has been so specified in the letter of grant/agreement, the Shares so issued shall not be transferred, pledged, hypothecated or subject to any charge or lien in any manner.
- b) The Option Grantee may exercise, during the Exercise Period, the Vested Options in one or more installments at his choice provided that he shall

exercise at each time at least 100 (Hundred) Options or all the unexercised Options held by him, whichever is less.

c) The Options can be Exercised as per the provisions outlined in the table below:

		<b>Vested</b>	<b>Unvested</b>
1	While in employment	Can be Exercised within 5 year from the date of Vesting of Options or as may be decided by the Nomination Remuneration Committee time to time.	The Options would continue to vest as per the original vesting schedule.
2	Resignation / Termination (other than due to misconduct or breach of company policies/terms of employment)	All the Vested Options as on the date of submission of resignation/termination shall be exercisable by the Option Grantee within three months from his last working day with the Company subject to approval by Nomination Remuneration Committee.	All Unvested Options as on the date of submission of resignation shall stand cancelled with effect from that date.
3	Termination due to misconduct or due to material breach of policies or the terms of employment	All the Vested Options which were not Exercised at the time of such termination shall stand cancelled with effect from the date of such termination.	All Unvested Options on the date of such termination shall stand cancelled with effect from the termination date.
4	Retirement / Early Retirement approved by the Company	All Vested Options can be Exercised by the Option Grantee immediately after, but in no event later than three months from the date of such retirement or any further period as extended by the Nomination Remuneration Committee.	All Unvested Options will stand cancelled as on the date of such retirement, unless otherwise determined by the Nomination and Remuneration Committee whose determination will be final and binding.
5	Death	All Vested Options may be Exercised by the Option Grantee's legal heir	All the Unvested Options as on the date of death shall vest immediately and may

		<b>Vested</b>	<b>Unvested</b>
		immediately after, but in no event later than three months from the date of Death.	be Exercised by the Option Grantee's legal heir immediately after, but in no event later than three months from the date of Death.
6	Termination due to Permanent Incapacity	All Vested Options may be Exercised by the Option Grantee or, in case of his death, or inability to Exercise due to such Permanent Incapacity, by the legal heir, immediately after, but in no event later than three months from the date of such incapacity.	All the Unvested Options as on the date of such Permanent Incapacity shall vest immediately and can be Exercised by the Option Grantee or, in case of his death, or inability to Exercise due to such incapacity, the legal heir immediately after, but in no event later than three months from the date of termination of employment of the Option Grantee.
7	*Abandonment	All the Vested Options shall stand cancelled	All the Unvested Options shall stand cancelled
8	*Other Reasons Apart from those mentioned above	The Nomination and Remuneration and Remuneration Committee will decide whether the Vested Options as on that date can be Exercised by the Option Grantee or not, and such decision shall be final.	All Unvested Options on the date of separation shall stand cancelled with effect from that date.

\* The Board/ Committee, at its sole discretion shall decide the date of cancellation of Option's and such decision shall be binding on all concerned.

- d) The Company, on Exercise of Options and on due compliance with all conditions relating to Exercise by an Option Grantee, shall issue and allot Shares in respect of such Exercised Options within a period not exceeding six months or as may be decided by the Nomination Remuneration Committee after receipt of approvals, including in-principle approval from Stock Exchanges, as required under any Applicable Law.



#### **14) Settlement of Exercised Options**

- a) The Options Exercised within the Exercise Period shall be settled by way of issue of equity shares of the Company. Such equity shares shall be pari passu with existing equity shares of the Company.

#### **15) Lapse of Options**

- a) The Options not Exercised within the Exercise Period shall lapse and the Option Grantee shall have no right over such lapsed or cancelled Options.
- b) The surrendered or lapsed option can be grant to any other employees as deem fit by Board/Nomination Remuneration Committee.

#### **16) Transfers**

- a) In the event of transfer of an Option Grantee from the Company to its Holding or Subsidiary Company or an associate company (as defined under the Act), the Unvested Options as on the date of transfer, shall continue to vest as per the original schedule and be Exercised, and the Vested Options as on the date of such transfer shall be Exercised as per the original schedule, subject to the compliance of the Applicable Laws.

#### **17) Other Terms and Conditions**

- a) Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Company (for example, bonus shares, rights shares, dividend, voting, etc.) in respect of any Shares covered by the Grant until and unless the Option Grantee Exercises the Options and becomes a registered holder of the Shares of the Company. Such rights/status shall arise only after the date of becoming a registered holder of the Shares of the Company and in respect of the period and events after such date.
- b) The Options shall not be transferred, pledged, attached, assigned, hypothecated, mortgaged, sold or otherwise alienated in any other manner and any purported assignment, alienation, pledge, attachment,



sale, transfer, or encumbrance not permitted herein shall be void and unenforceable against the Company.

- c) If the Company issues bonus or rights shares, the Option Grantee will not be eligible for the bonus or rights shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise price or both would be made in accordance this BWRL ESOP Policy 2022.
- d) Employee Stock Options shall not be transferable to any person except in the event of death of the Option Grantee or inability to Exercise due to Permanent Incapacity and in the manner as specified herein in this BWRL ESOP Policy 2022.

#### **18) Taxation**

- a) The liability of paying taxes, if any, in the Employee Stock Options granted pursuant to this BWRL ESOP Policy 2022 and the Shares issued pursuant to Exercise of Options shall be entirely on the Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 and the rules framed thereunder.
- b) The Company shall have the right to deduct/withhold or recover/retain in any manner as it deems fit, from the Option Grantee's salary, any of the Option Grantee's tax obligations arising in connection with the Options or the Shares acquired upon the Exercise thereof. Alternatively, at the option of the Nomination and Remuneration Committee, the Option Grantee may be required to pay such an amount as the Nomination and Remuneration Committee may specify towards tax obligation at the time of Exercise thereof and along with the payment of the Exercise Price. The Company shall have no obligation to deliver Shares until the Company's tax deduction or payment obligations, if any, have been satisfied by the Option Grantee.
- c) The Grantee shall be liable to indemnify the Company with respect to any Tax liability arising out of the Grant, Vesting and/ or Exercise of Options.

#### **19) Authority to vary terms**



- a) The Board/ Nomination and Remuneration Committee may, if it deems necessary, vary the terms of BWRL ESOP Policy 2022, subject to compliance with the Applicable Laws and Regulations.

20) Miscellaneous

i. Government Regulations

- a) This BWRL ESOP Policy 2022 shall be subject to all Applicable Laws including any statutory modification(s) or re-enactment(s) thereof, and approvals from governmental authorities, if any, and to the extent required.
- b) The inability of the Company to obtain approval 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 grant the Options or issue Shares.

ii. General Risks

- a) Participation in this BWRL ESOP Policy 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 Option Grantee alone. The Option Grantee is encouraged to make considered judgment and seek adequate information/clarifications essential for appropriate decision. The Nomination and Remuneration Committee has made certain disclosures as prescribed in respect of the Company including certain financials that the Employee shall carefully go through before accepting a Grant and/or before Exercising Options. The Employee shall also go through the annual reports, published results and other developments as published by the Company on its website and/or through the Stock Exchanges where its Shares are listed.
- iii. The grant of an Option does not form part of the Option Grantee's



entitlement to Nomination and Remuneration or benefits pursuant to his contract of employment nor does the existence of a contract of employment between any Employee and the Company give such Employee any right or entitlement to have an Option granted to him in respect of any number of shares or any expectation that an Option might be granted to him whether subject to any condition or at all.

- iv. Neither the existence of this BWRL ESOP Policy 2022 nor the fact that an individual has on any occasion been granted an Option 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 BWRL ESOP Policy 2022 or any future plan (s) by being granted an Option on any other occasion.
- b) The rights granted to an Option Grantee upon the grant of an Option shall not accord the Option Grantee any rights or additional rights to Nomination and Remuneration 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).
- c) The Option Grantee shall not be entitled to any Nomination and Remuneration or damages for any loss or potential loss which he may suffer by reason of being unable to Exercise an Option in whole or in part.

#### **21) Disclosures**

- a) Disclosures as required under Regulation 16(2) of the SEBI SBEB Regulations 2021 are given in Annexure A to this BWRL ESOP Policy 2022 and forms and integral part hereof.

#### **22) Notices**

- a) All notices of communication required to be given by the Company to an Option Grantee by virtue of this BWRL ESOP Policy 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 Option Grantee available in the records of the Company; or
  - ii. Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; or
  - iii. Emailing the communication(s) to the Option 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 Option Grantee after cessation of employment.
- b) Any communication to be given by an Option Grantee to the Company in respect of BWRL ESOP Policy 2022 shall be sent to the officer at the address mentioned below:

Designation: Company Secretary and Compliance Officer.

**Registered Office Address:** Plot no. 4, MIDC, Chalisgaon, Village Khadki, -BK, Taluka Chalisgaon District Jalgaon, 424101, Maharashtra

**Corporate Office Address:** A-701, Trade World Building, Kamala Mills, S B Marg, Lower Parel (West), Mumbai 400013, Maharashtra

**E-mail ID:** compliance@bharatwireropes.com

### **23) Governing Law and Jurisdiction**

- a) The terms and conditions of the BWRL ESOP Policy 2022 shall be governed by and construed in accordance with the laws of India.
- b) The Courts in Mumbai, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this BWRL ESOP Policy 2022.
- c) Nothing in this clause will however limit the right of the Company to bring proceedings against any Employee in connection with this BWRL ESOP Policy 2022:
  - i. in any other court of competent jurisdiction; or





- ii. concurrently in more than one jurisdiction.

**24) Income Tax Rules**

- a) The Income Tax Act, 1961 and Rules in force as amended/re-enacted from time to time will be applicable.

**25) Tenure**

The Policy shall continue in effect unless terminated by the Company or the Nomination and Remuneration Committee. Any such termination of the Policy shall not affect Options already granted and such Options shall remain in full force and effect as if the Scheme had not been terminated unless mutually agreed otherwise between the Participants and the Company or the Nomination and Remuneration Committee.

**26) Severability**

- a) In the event any one or more of the provisions contained in this BWRL ESOP Policy 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 BWRL ESOP Policy 2022, but this BWRL ESOP Policy 2022 shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and this BWRL ESOP Policy 2022 shall be carried out as nearly as possible according to its original terms and intent.

**27) Accounting Policy**

- a) The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein, in compliance with relevant provisions of SEBI SBEB Regulations. For the purpose of the above clause, "Market Price" means the latest available closing price on the Stock Exchange on which the shares of the Company are listed on the date immediately prior to the Relevant Date. If such shares are listed on more than one stock exchange, then the closing price on the stock exchange having higher trading volume



shall be considered as the market price.

- b) The Company shall use the Intrinsic Value method to value its Stock Options in accordance with the SEBI SBEB Regulations and the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time

**28) Certificate from Auditors**

The Board shall at each annual general meeting place before the Shareholders a certificate from the auditors of the Company that this BWRL ESOP Policy 2022 has been implemented in accordance with the SEBI (SBEB) Regulations and in accordance with the resolution of the Company in the general meeting.

**29) Arbitration**

In the event of a dispute arising out of or in relation to the provisions of this Policy (including a dispute relating to the construction or performance thereof), the relevant parties shall attempt in the first instance to resolve such disputes through an amicable settlement. The attempt to bring about an amicable settlement shall be considered to have failed as soon as one of the parties hereto, after a reasonable attempt, which attempt shall continue for not more than 90 days, gives 90 day notice thereof to the other party in writing. In case of such failure, either party may refer the dispute to a single arbitrator appointed by both the parties and failing such agreement, to three arbitrators, one to be appointed by each party and the third arbitrator to be jointly appointed by the two arbitrators appointed by the parties. The arbitration proceedings shall be held at Mumbai under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof. The arbitrator(s) shall give a reasoned award in writing. The arbitrator(s) shall also decide on the costs of the arbitration proceedings. The parties shall submit to the arbitrator's award and the award shall be enforceable in competent court of law at Mumbai.



30) Confidentiality

- a) Employees/Option Grantee must keep the details of this BWRL ESOP Policy 2022 and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, co-employees or with any employee and/ or associate of the Company or that of its affiliates or any third party. In case Option Grantee is found in breach of this confidentiality clause, the Company has undisputed right to terminate any agreement and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality Clause shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this clause, the Nomination and Remuneration Committee will have the authority to deal with such cases as it may deem fit.
- b) On acceptance of Grant, the Option Grantee agrees that the Company may be required to disclose information of the Option Grantee during the process of implementation of this BWRL ESOP Policy 2022 or while availing services relating to ESOP consulting, advisory services or ESOP Management services and/ or any other such incidental services. The Option Grantee hereby accords his consent that such confidential information regarding his Options entitlements may be disclosed by the Company to its officers, professional advisors, agents and consultants on a need to know basis.

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## ANNEXURE A

### Disclosure Document

#### Part A: Statement of Risks

All investments in shares or Options are subject to risk as the value of shares may go down or go up. In addition, the 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. Illiquidity: The Options cannot be transferred to anybody, and therefore the employees cannot mitigate their risks by selling the whole or part of their benefits before they are exercised.
4. Vesting: The Options will lapse in accordance with the BWRL ESOP Policy 2022 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 gross misconduct.



## Part B: Information about the company

### 1. Business Profile of the company:

Bharat Wire Ropes Limited ("BWRL" or the "Company") is a wire ropes and wire manufacturing company established in the year 1986. The company has achieved new standards in the manufacturing of Strands, Wire Ropes and Slings for use in a varied list of application/industries such as General Engineering, Structural Ropes, Fishing, Elevators, Cranes, Material Handling, Onshore/Offshore Oil Exploration, Power Transmission, Construction Sector, Ports, Shipping and Mining.

The company caters to a rich mix of clients ranging from Overseas Consumers, Private Players, the entire Indian Defense Segment and government and Semi Government Organizations. The diversified client base has helped the company develop versatility making it well equipped to handle diverse/heterogeneous kinds of enquiries.

The main objects of the Company as per its Memorandum of Association are:-

1. To carry on the business as manufacturers, producers, processors, makers, finishers, extractors, assembles, converters, exporters, importers, fabricators, repairs and consultants of all types of wires, wire ropes, wire nets, barbed wires, nails, of any metal, including that of mild steel, steel, copper, aluminum, alloy steel, carbon steel and of cotton, silk and of any synthetic material.
2. To carry on the business as manufacturers, producers, processors, makers, finishers, extractors, convertors, exporters, importers, buyers, sellers, dealers, traders, distributors and consultants of all type of fuel oil, gas, and other by - products by processing, recycling of waste tyres, nylon, plastics and rubber.

### 2. Abridged financial information:

Abridged financial information, for the last five years for which audited financial information is available, as prescribed under clause (b)(i) of Section 26(1) of the Companies Act, 2013 as amended or re- enacted from time to time. The latest audited accounts of the Company for the year ended 31<sup>st</sup> March 2022 are enclosed.

(Note:- These are being compiled and will be updated from time to time to the



date of issuance of the BWRL ESOP Policy 2022 documents to employees)

### **3. Risk Factors:**

Management perception of the risk factors for the company (i.e., sensitivity to foreign exchange rate fluctuations, difficulty in availability of raw materials or in marketing of products, cost/time overrun etc.).

#### **Risk Factors that could impact our Business:**

The Global economy is still recovering and is a cause of concern as it impacts our business in various forms. The world is still facing the consequences of the ongoing Russia-Ukraine conflict, politics in the EU, and climate policies, China's economic slowdown, the risk scenario under US-China competition are having a great impact on the global economy.

*Foreign Exchange Transactions: The exchange rate between Indian Rupee and the other currencies has changed substantially. This fluctuation may have significant impact on the company's operation.*

*Industry Specific Risk: The Export markets seem to be passing through a tough transition phase. However, we are quite optimistic of growing our business in the coming years. On the domestic front, there seems to be a lot of Optimism especially with a Stable government in place and industry friendly initiatives and policies being explored. This gives a sense of confidence for new investments which are likely to happen over a period of time and gives momentum for the Indian manufacturers to expand and grow their businesses.*

#### *Shortage of raw material*

*Increased Competitive Environment: Competitive risk is the potential for a business's competitors to prevent its growth and success. Since many companies compete for the same target customers and distributors leading to increase in competition, which results in price competition and thereby affecting the financial condition*

*However, the challenge continues to keep ourselves continuously focused on improving our Technology, Processes, Innovation and the efforts to control costs with a view to deliver VALUE for our customers. Further, with the strengthening of our Internal Control, we look forward to a bright and challenging future ahead.*



**4. Continuing disclosure requirement:**

The Option Grantee shall be provided copies of all documents that are sent to the members of the company. This shall include the annual accounts of the company as well as notices of meetings and the accompanying explanatory statements. However, the grantee will not be entitled to attend and vote in the General Meeting or receive any dividend in respect of unexercised options.



### Part C: Salient Features of the Scheme

The salient feature of the scheme of Options of the company including the conditions regarding vesting, exercise, adjustment for corporate actions, and forfeiture of vested Options as the case may be are given elsewhere in this BWRL ESOP Policy 2022.

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## SCHEDULE I

### NOTICE OF STOCK OPTION GRANT

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Date:

Name of the Option Grantee:

Designation:

Place:

We are pleased to grant you options to subscribe to shares of Bharat Wire Ropes Limited subject to the terms and conditions of Bharat Wire Ropes Limited - Employees Stock Options Plan 2022 and the Option Agreement to be executed by you. The details of the grant are as follows:

Exercise price per Option (Rs.)	
Number of Options granted	
Exercise period	
Vesting Schedule	

For Bharat Wire Ropes Limited

Director



## SCHEDULE II

The maximum vesting period may extend to 5 years from the date of grant of option, unless otherwise decided by the Nomination & Remuneration Committee.

Unless otherwise decided by the Nomination & Remuneration Committee, the Options shall be granted as follows

Particulars	Percentage
on the First anniversary from the Grant Date	35%
on the Second anniversary from the Grant Date	35%
on the Third anniversary from the Grant Date	30%

For Bharat Wire Ropes Ltd

  
Company Secretary

