

Imagicaaworld Entertainment Limited
Imagicaaworld Employee Stock Option Scheme 2020

IMAGICAAWORLD ENTERTAINMENT LIMITED
IMAGICAAWORLD EMPLOYEE STOCK OPTION SCHEME 2020

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1 Name of the Scheme

This Scheme shall be termed as Imagicaaworld Employee Stock Option Scheme 2020 (“**Scheme**” or “**ESOS 2020**”) and shall replace ESOP 2015 (“**Previous Scheme**”). This Scheme been approved by a special resolution passed on 0XX November 2020 at the General Meeting of the Shareholders and is in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended and Circular No. CIR/CFD/POLICY CELL/2/2015 dated 16 June 2015 (“**Circular**”) issued by Securities and Exchange Board of India (“**SEBI**”). This Scheme shall be effective from. _____ 2020 , the date on which the shareholders approved the ESOS 2020 by way of a special resolution, herein after referred to as the “Effective Date”.

This document sets out the terms and conditions of the Scheme.

2 Purpose of the Scheme

Imagicaaworld Entertainment Limited (“**Company**” or “**IEL**”), a company incorporated under the Companies Act, 1956 and having its registered office at 30/31, Sangdewadi, Khopoli - Pali Road, Taluka -Khalapur, District Raigad 410203, Maharashtra, India has structured this Scheme for its Employees. The purpose of this Scheme is as under:

- a) To retain key talent
- b) To compensate key talent in lieu of salary payouts
- c) To reward for loyalty
- d) To foster ownership

3 Definitions

In this Scheme, except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against:

- 3.1 “Acceptance Form” shall mean the form that the Grantee has to submit indicating his acceptance of the offer made to him to participate under the Scheme.
 - 3.2 “Applicable Laws” shall mean laws of India to the extent applicable and as amended, modified and substituted from time to time. Accordingly, any actions taken hereunder shall be governed by and construed in accordance with the laws of India, without regard to the application of the conflicts of laws’ provisions thereof.
 - 3.3 “Associate Company” shall have the same meaning as defined under Section 2(6) of the Companies Act, 2013, as amended.
 - 3.4 “Beneficiary” or “Nominee” means the person or persons, trust or trusts designated by the Participant, or in the absence of any designation by the Participant, a person or persons who is/ are entitled by the will or probate of the Participant to receive the benefits specified in the Scheme, the legal heirs of the Participant, if the Participant dies intestate and includes the Participant's executors or administrator, if no other beneficiary is designated and able to act under the circumstances and such other persons as may be added from time to time to the class of beneficiaries by notice in writing and by the Nomination Form in the exercise of any powers conferred under the Scheme or any other agreements forming part thereof.
 - 3.5 “Board” means the Board of Directors of the Company.
 - 3.6 “Cause” means negligence, fraud, professional misconduct, moral turpitude etc. as per Group’s policy.
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- 3.7 “Closing Date” means the last date on which the offer of Options granted by the Company to a Grantee can be accepted. In case the last date is a non-working day, then it shall be the immediately following working day.
- 3.8 “Company” shall mean Imagicaaworld Entertainment Limited, a company incorporated and registered under the Companies Act, 1956 having its registered office at 30/31, Sangdewadi, Khopoli - Pali Road, Taluka -Khalapur, District, Raigad 410203, Maharashtra, India
- 3.9 “Compensation Committee” or “Committee” means Nomination and Remuneration Committee of the Company comprising of such members of the Board as provided under section 178 of Companies Act, 2013, as amended, constituted by the Board of Directors and is designated as Compensation Committee for administration and superintendence of the Scheme in compliance with SEBI Regulations.
- 3.10 “Corporate Action” shall have meaning as understood under the SEBI Regulations;
- 3.11 “Director” means a member of the Board.
- 3.12 “Eligible Employee” for the purpose of this Scheme means an Employee who qualifies for issue of Options under this Scheme, based on the annual / periodic appraisal process or who is nominated by the Committee at its sole discretion as being eligible for issue of Options..
- 3.13 “Employee” means (a) a permanent employee of the Company who has been working in India or outside India; or (b) a Director of the Company, whether a whole time director or not but excluding an independent director; but does not include-
- (i) an Employee who is a Promoter or a person belonging to the Promoter Group; or
 - (ii) a Director who either himself or through his Relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity Shares of the Company
- 3.14 “Exercise” means making of an application by an employee to the Company for issue of shares against vested options in pursuance of the Scheme on payment of exercise price;
- 3.15 “Exercise Date” means the date on which the Participant/ Beneficiary exercises his right to apply for shares against the vested Options and in case of partial Exercise, shall mean each date on which the Participant / Beneficiary exercises his right to apply for part of his vested Options.
- 3.16 “Exercise Period” means the time period after vesting within which a Participant should exercise his right to apply for shares against the Vested Options. In case the Participant does not exercise the Options during the Exercise Period, the Options will lapse and no rights will accrue after that date. The Exercise Period shall be specified in the Grant Letter to a Grantee;
- 3.17 “Exercise Price” means the price, if any, payable by the Participant for exercising the Option granted to him in pursuance of this Scheme as may be determined by the Compensation Committee;
- 3.18 “General Meeting” means a General Meeting (including an Extraordinary General Meeting) of the Shareholders of the Company held in accordance with the Articles of Association of the Company and the Applicable Laws.
- 3.19 “Grant” means the process by which the Company issues Options to its Employees under the Scheme;
- 3.20 “Grant Date” means the date on which the Compensation Committee approves the Grant;
- 3.21 “Grant Letter” means the letter by which Grant of Options is communicated to the Grantee.
- 3.22 “Grantee” shall mean an Eligible Employee pursuant to Clause 4 below, at the time of Grant
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of the Option to be eligible to participate under the Scheme.

- 3.23 “Group” shall mean the Company and includes each of its Subsidiary Company and Holding Company.
- 3.24 “Holding Company” means a Company defined under section 2(46) of the Companies Act, 2013, as amended.
- 3.25 “Independent Director” shall have the same meaning as defined under Section 2(47) of the Companies Act, 2013;
- 3.26 “Long Leave” means leave as mentioned in clause 13 below
- 3.27 “Option” means the option given to an Employee which gives him a right to purchase or subscribe at a future date, the shares offered by the Company, directly or indirectly, at an Exercise Price in accordance with the Scheme;
- 3.28 “Participant” means a Grantee who accepts the Grant from the Company to participate in this Scheme pursuant to Clause 8 below.
- 3.29 “Promoter” 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;
- 3.30 “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:
- 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;
- 3.31 “Relative” shall have the same meaning as defined under section 2(77) of the Companies Act, 2013, as amended;
- 3.32 “Scheme” or “ESOS 2020” means the Imagicaaworld Employee Stock Option Scheme 2020 and shall include any alterations, amendments, additions, deletions, addendums or variations thereof from time to time;
- 3.33 “SEBI Regulations” refers to Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 issued by the SEBI under the SEBI Act, 1992 as amended from time to time and included all circulars and clarifications issued thereunder.
- 3.34 “Share” means an equity share of Imagicaaworld Entertainment Limited of face value of Rs.10 each.
- 3.35 “Shareholder” means the registered holder of a Share in the share capital of the Company.
- 3.36 “Subsidiary Company” shall have the same meaning as defined under Section 2(87) of the Companies Act, 2013, as amended.
- 3.37 “Termination Date” means the date of termination of employment of the Participant with the Group.
- 3.38 “Unvested Option” means an Option, which is not a Vested Option.
- 3.39 “Vesting” means the process by which the Participant/ Beneficiary becomes entitled to receive the benefit of a Grant made to him under this Scheme;
- 3.40 “Vested Option” means an Option, which has vested in pursuance of Clause 9 below with the Participant/ Beneficiary and has thereby become exercisable.
- 3.41 “Vesting Date” means the date on and from which the Option Vests with the Participant/
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Beneficiary and has thereby becomes exercisable under the Scheme.

- 3.42 “Vesting Period” means the period during which the vesting of Option granted to the Participant under the Scheme takes place.
- 3.43 “Volume Weighted Average Price” means the product of the number of equity shares bought and price of each such equity share divided by the total number of equity shares bought.
- 3.44 “Construction”
- a) Clause reference is to the clauses of this Scheme.
 - b) The headings/ subheadings/ titles/ subtitles are only for the sake of convenience and shall not be interpreted to restrict or otherwise affect the meaning or import of the clauses, which shall be interpreted solely in light of the contents thereof.
 - c) Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
 - d) Any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in visible form.
 - e) The term 'including' shall mean 'including without limitation', unless otherwise specified.
 - f) Reference to any Act, Rules, Statute or Notification shall include any statutory modification, substitution or re-enactment thereof.
 - g) Unless the context otherwise requires, words denoting the masculine gender shall include the feminine gender and words denoting singularity shall include the plural and vice versa.

4 Eligibility

- 4.1 Subject to Clause 5.3 below, the eligibility to participate in the Scheme / the broad criteria for appraisal process is subject to such criteria as may be decided by the Committee at its own discretion, including, but not limited to the date of joining of the Employee with the Group, grade of the Employee, performance evaluation, contribution towards strategic growth, contribution to team building and succession, period of service with the Group, corporate governance, criticality or any other criteria, as the Committee determines. The appraisal process for determining the eligibility shall be decided from time to time by the Committee. Further, the Committee at its own discretion may Grant Options to any new Employee at the time of joining the Group or to any Employee for his performance in the Group.
- 4.2 Based on the eligibility criteria as described in Clause 4.1 above, the Committee will decide the Employees eligible for Grant of Options under the Scheme and accordingly, the Company/ Committee would offer the Options to the Eligible Employees.

5 Administration of this Scheme

- 5.1 This Scheme shall be administered by the Nomination and Remuneration Committee of the Company herein referred to as “Compensation Committee” or the “Committee”. The Committee is authorized to interpret the Scheme, to establish, amend and rescind any rules and regulations relating to the Scheme, and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Scheme. The Committee may correct any defect, omission or reconcile any inconsistency in the Scheme in
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the manner and to the extent it deems necessary or desirable and to resolve any difficulty in relation to implementation of the Scheme and take any action which the Board is entitled to take with respect to the Scheme. The acts of a majority of the members of the Committee present at any meeting (at which the quorum is present) or acts approved in writing by a majority of the entire Committee shall be the acts of the Committee for the purpose of the Scheme. No member of the Committee may act upon matters under the Scheme specifically relating to such member.

- 5.2 Any decision of the Committee in the interpretation and administration of this Scheme, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Employee, Grantee, Participant/ Nominee and their beneficiaries and successors). The Company/ the Board/ the Committee shall not be liable for any action or determination made in good faith with respect to the Scheme or any Option granted there under.
- 5.3 The Committee shall, *interalia*, formulate the detailed terms and conditions of the Scheme which shall include the provisions as specified by the SEBI in this regard.
- 5.4 The Committee shall, in accordance with this ESOS 2020 and Applicable Laws, determine the following:
- (a) The quantum of Options to be granted under the Scheme per Employee, subject to the ceiling as specified in the Scheme;
 - (b) the eligibility criteria for grant of Options to the Employees;
 - (c) the Exercise Period within which the Participant should exercise the Option and that Option would lapse on failure to Exercise the Option within the Exercise Period;
 - (d) the specified time period within which the Participant shall exercise the Vested Options in the event of termination or resignation of a Participant;
 - (e) the right of a Participant to exercise all the Options vested in him at one time or at various points of time within the Exercise Period;
 - (f) the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the Committee:
 - (i) the number and the price of Options shall be adjusted in a manner such that total value of the Options remains the same after the corporate action.
 - (ii) the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Participants.
 - (g) the procedure and terms for the Grant, Vesting and Exercise of Option in case of Employees who are on long leave;
 - (h) the conditions under which Options vested in Employees may lapse in case of termination of employment for misconduct;
 - (i) the procedure for cashless Exercise of Options, if required; and
 - (j) approve forms, writings and/or agreements for use in pursuance of this Scheme.
- 5.5 The Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices
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Relating to the Securities Market) Regulations, 2003, as amended by the Company and its Employees, as applicable.

6 Share Pool

- 6.1 The Shareholders by way of special resolution dated [●] have authorized the Compensation Committee to Grant not exceeding 3,994,891 (Thirty Nine Lakhs Ninety Four Thousand Eight Hundred and Ninety One) Options to the Employees under this Scheme, in one or more tranches, exercisable into not more 3,994,891 (Thirty Nine Lakhs Ninety Four Thousand Eight Hundred and Ninety One) Shares of face value of Rs. 10 (Rupees Ten) each fully paid-up, with each such Option conferring a right upon the Employee to apply for one Share of the Company, in accordance with the terms and conditions as may be decided under the Scheme.
- 6.2 The maximum number of Options under ESOS 2020 that may be granted to each Employee shall not exceed 10,00,000 (Ten Lakh only) in number per Eligible Employee.
- 6.3 If the number of Options that may be offered to any specific employee shall exceed 1% or more of the issued capital (excluding warrants & conversion) of the Company at the time of grant of Options, then the Company will take prior approval from its shareholders.
- 6.4 Notwithstanding the foregoing provisions of Clause 6.1, Shares with respect to which an Option is granted under the Scheme that remain unexercised at the expiration, forfeiture or other termination of such Option may be the subject of the Grant of further Options.
- Notwithstanding the foregoing provisions of Clause 6.1, all Options that have lapsed (including those having lapsed by way of forfeiture) shall be added back to the number of Options that are pending to be granted. The Company may Grant such Options within the overall limit determined in accordance with the Scheme.
- 6.5 In case of a Share split or consolidation, if the revised face value of the Share is less or more than the current face value as prevailing on the date of coming into force of this ESOS 2020, the maximum number of Shares being granted under ESOS 2020 as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (number of Shares X face value per Share) prior to such Share split or consolidation remains unchanged after such Share split or consolidation. Thus, for example, if the prevailing face value of each Share is Rs. 10 per Share and the revised face value after the Share split is Rs. 5 per Share, the total number of Shares available under ESOS 2020 would be (Shares reserved at Sub-Clause 6.1 x 2) Shares of Rs. 5 each. Similarly, in case of bonus issue, rights issue, etc. the available number of Shares under ESOS 2020 shall be revised.

7 Grant of Options

- 7.1 The Company/ Committee/ Board may offer the Options to a Grantee in accordance with the terms and conditions of this Scheme. The Committee will decide the number of Options to be granted to each Eligible Employee.
- 7.2 The Grant of the Options by the Committee to the Grantee shall be made in writing and communicated to the Grantee by a Grant Letter. Such a Grant shall state the number of Options Granted, the Exercise price and the Closing Date of accepting the Grant.
- 7.3 The Closing Date for accepting the offer shall not be more than 30 days from the Grant Date.
- 7.4 An offer made under Clause 7.1 above is personal to the Grantee and cannot be transferred in any manner whatsoever.

8 Method of Acceptance

- 8.1 Any Grantee who wishes to accept the Grant made pursuant to Clause 7 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.
- 8.2 Upon receipt of a duly completed Acceptance Form from the Grantee in respect of the Grant, the Grantee will become a Participant. The 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 Grant and the number of Shares for which the Participant will be entitled to subscribe pursuant to such Grant. No amount shall be payable at the time of grant.
- 8.3 Subject to the terms contained herein, the acceptance in accordance with this Clause of a Grant made to a Grantee, shall conclude a contract between the Grantee and the Company, pursuant to which each Option shall, on such acceptance, be an Unvested Option.

9 Vesting of Options

- 9.1 Subject to Clause 9.4 and Clause 12 below and continued employment of the Participant in the Company, Options granted under ESOS 2020 would Vest after 1 (one) year but not later than 3 (three) years from the date of grant of such Options.
 - 9.2 Vesting of Options would be subject to continued employment with the Company, its Holding Company or Subsidiary Company, as the case may be and thus the Options would vest essentially on passage of time. In addition to this, the Committee shall also specify certain performance criteria subject to satisfaction of which the Options would vest.
 - 9.3 As a prerequisite for a valid vesting, a Grantee is required to be in employment or service of the Company, its Subsidiary Companies, or Holding Company, as the case may be, on the date of Vesting and must neither be serving his notice for termination of employment/ service, nor be subject to any disciplinary proceedings pending against him on the such date of Vesting.
 - 9.4 The specific Vesting schedule and conditions subject to which Vesting would take place would be outlined in the document given to the Option Grantee at the time of Grant of Options.
 - 9.5 Notwithstanding anything mentioned in the Scheme and subject to Clause 12 below, Options which are not vested shall automatically lapse after the Vesting Date and the contract referred to in Clause 8.3 above shall automatically be terminated without surviving rights / liabilities for any party.
 - 9.6 Subject to the SEBI Regulations, and unless the Committee decides otherwise, no Options shall vest in a Participant, if such Participant carries on or engages in, directly or indirectly, whether through partnership or as a shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise, any business which competes directly or indirectly with the whole or any part of the business carried on by the Group or any activity related to the business carried on by the Group. Decision of the Committee/ Company in this regard shall be final and conclusive and cannot be called in question by the Participant. For the sake of clarity, the restriction contained in this Clause shall not apply to any investment held as a portfolio by the Participant or any activity/ business carried out by the Participant pursuant to his duties as an employee or director of the Company and shall not apply to the Nominee of the Participant.
 - 9.7 Neither the Participant nor any person entitled to exercise Participant's rights in the event of death of the Participant shall be entitled to claim or receive any dividend and right to vote, or in any manner enjoy the benefits as a shareholder of the Company in respect of the Options
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granted/ vested, till such time as the Shares are transferred pursuant to a valid Exercise of the Options in favor of such Participant or such person.

10 Exercise Price

- i. The exercise price for the first grant shall be 30% discount to trailing 2 weeks Volume Weighted Average Price (on the stock exchange which has reported higher volumes) from date of first vesting
- ii. The exercise price for the subsequent grant shall be 20% discount to trailing 2 weeks Volume Weighted Average Price (on the stock exchange which has reported higher volumes)

The Aggregate Exercise Price (*defined in Clause 11.3 below*) shall be discharged / paid in full upon the Exercise of the Vested Options. Payment must be made by one of the methods specified in Clause 11.4 of this Scheme.

11 Exercise of Options/ Allotment of Shares

- 11.1 Subject to the Clause 8.3 above and Clause 12 below, the Participant alone can Exercise the Vested Options. All vested options can be exercised within 7 years from the date of vesting of options. The Vested Options can be exercised either in full or in part for a minimum lot of 100 Options and in multiples of 10 Options.
 - 11.2 No Vested Option shall be exercisable in its fractional form.
 - 11.3 A Vested Option shall be deemed to be validly exercised only when the Company/ Committee/ Board or any other person ratified by the Company/ Committee/ Board receives written and signed notice of Exercise in such format as may be prescribed by the Committee from time to time ('Exercise Form') from the Participant/ Beneficiary and, subject to clause 10 above, the full payment of the Exercise Price, taxes (wherever arising) and any other sums due to the Company as per this Scheme in respect of Exercise of the Option ('Aggregate Exercise Price').
 - 11.4 The Aggregate Exercise Price shall be paid in full or adjusted in full from existing salary or salary dues upon the Exercise of the Vested Options. Payment must be made by one of the following methods:
 - i) cheque or demand draft issued in the name of the Company as the Committee may specify; or
 - ii) remittance directly from the Participant's bank to the bank account of the Company (wire transfer) as the Committee may specify; or
 - iii) recovery from the salary payment; or
 - iv) recovery from the salary due but not paid; or
 - v) any combination of such methods of payment or any other method acceptable to the Committee at its sole discretion.

The procedure for Cashless exercise of the Options shall be as determined by the Committee
 - 11.5 The Company/ Committee/ Board shall endeavor to ensure that the process of allotment/ transfer of Shares to the Participant who has validly exercised his vested Options is completed within reasonable time from the time of receiving the Exercise Form by the Committee.
 - 11.6 Upon completion of a valid Exercise of Options as laid out above, the Committee shall make an allotment/ transfer of Shares to the Participant/ Nominee either directly from the Company or under any other mechanism as permissible under Applicable Laws and along with requisite resolutions to that effect. On Exercising, Company shall allot/ transfer the Shares to the Par-
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participant/ Nominee, or if requested in writing by the Participant, to the Participant/ Nominee or jointly with another person, provided (a) the Committee finds the Exercise form complete; and (b) all the conditions of this Scheme are complied with.

- 11.7 At the time of allotment/ transfer of Shares pursuant to a valid Exercise, the Participant/ Nominee will be required to sign such papers as may be considered necessary by the Committee to lawfully execute/ enforce various provisions of the Scheme.
- 11.8 Only upon allotment/ transfer of the Shares, the Participants/ Nominees shall become members of the Company. Subject to Clause 14 below, the Shares to be allotted/ transferred shall rank *pari-passu* in all respects with the outstanding Shares of the Company.
- 11.9 Notwithstanding anything else contained in the Scheme if the Participant/ Nominee does not Exercise his Vested Options within the time specified in Clause 11.1 above and Clause 12 below, the Options shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 8.3 above shall stand automatically terminated without any liability to the Group.
- 11.10 The Company/ the Committee shall not purchase or sell shares of the Company through any other method that has been prohibited as per the applicable laws.

12 Termination of Employment

12.1 On death of a Participant

In the event of death of a Participant while in employment with the Group, all the Options granted to him till such date, vested or lying Unvested shall be deemed to have Vested in the Beneficiary of the deceased Participant on that day. Subject to Clauses 11.2 and Clause 11.3 above, all the Vested Options shall be permitted to be exercised in accordance with Clause 11 above within 12 months from the date of death of the Participant or before the expiry of the Exercise Period, whichever is earlier unless the Committee decides otherwise. 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 8.3 above shall stand automatically terminated without any surviving right/ liability for any party.

12.2 On disability of Participant

In case the employee suffers a permanent incapacity while in employment, all the Options granted to him till such date of permanent incapacitation and lying Unvested, shall Vest in him on that day. Subject to Clause 11.2 and 11.3 above, all the Vested Options shall be permitted to be exercised in accordance with Clause 11 above within 12 months from the date of termination or before the expiry of the Exercise Period, whichever is earlier unless the Committee decides otherwise. 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 8.3 above shall stand automatically terminated without any surviving right/ liability for any party.

12.3 On attainment of superannuation age

In case the services of the Participant with the Group are terminated due to the Participant's retirement on attaining the superannuation age, all the Unvested Options granted to him shall immediately stand cancelled and forfeited and the contract referred to in Clause 8.3 above shall stand automatically terminated without any surviving right/ liability for any party. Subject to the Clause 11.2 and Clause 11.3 above, all the Vested Options shall be permitted to be exercised in accordance with Clause 11 above within 12 months from the date of termination or before the expiry of the Exercise Period, whichever is earlier unless the Committee decides otherwise. 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 8.3 above shall stand automatically terminated without any surviving right/ liability for any party.

12.4 Termination due to misconduct

In case the termination of employment of a Participant with the Group is with cause (i.e. negligence, fraud, professional misconduct, moral turpitude etc. as per Group's policy), his/ her Options (Vested as well as Unvested) shall stand automatically forfeited on the Termination Date and the contract referred to in Clause 8.3 above shall stand automatically terminated without any liability to the Group.

12.5 Resignation or termination other than due to Misconduct

All the Vested Options as on the date of submission of resignation shall be exercisable by the Participant at any point of time.. All Unvested Options on the date of submission of resignation shall stand cancelled with effect from that date.

12.6 Other terminations

In case the service of the Participant with the Group is terminated other than specified in Clauses 12.1 to 12.5 above, all Unvested Options, on the date of cessation, shall expire and stand terminated with effect from that date unless otherwise determined by the Committee whose decision will be final and binding.

13 Vesting and Exercise of Options in case of Employees on long leave

Notwithstanding anything contained in the Scheme, effect of any "Long Leave" on Options granted to the Participant, whether vested or not, will be given as considered appropriate by the Committee. Long Leave shall be defined as a period of 6 months and above.

14 Notices and correspondence

14.1 Any notice required to be given by a Participant/ Nominee to the Company/ the Committee or any correspondence to be made between a Participant/ Nominee and the Company/ the Committee may be given or made to the Company/ the Committee at the registered office of the Company or at a place as may be notified by the Company/ the Committee in writing.

14.2 Any notice, required to be given by the Company/ the Committee to a Participant/ Nominee or any correspondence to be made between the Company/ the Committee and a Participant/ Nominee shall be given or made by the Company/ the Committee on behalf of the Company at the address provided by the Participant in his Acceptance Form or Nomination Form.

15 Lock-in

The Shares allotted/ transferred pursuant to the Exercise of the Vested Options under Clause 11 above shall not be subject to any lock-in period from the date of allotment of such shares under ESOS 2020.

16 Exit route in case of delisting

If the Company gets delisted from all the recognized Stock Exchanges, then the Company/Committee shall have the powers to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance of the Applicable Laws.

17 Beneficiary/ nominee designation

17.1 Each Participant under the Scheme may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit accrued to such Participant under the Scheme is to be

delivered in case of his or her death before he or she receives all of such benefit. Each such nomination shall revoke all prior nominations by the same Participant, shall be in a form prescribed by the Company and will be effective only when filed by the Participant in writing with the Company during the Participant's lifetime.

18 Non-transferability of Options

- 18.1 Save as provided in Clause 12.1 above, the Options granted herein, are personal to the Participant.
- 18.2 The Options shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 18.3 Save and except as provided herein under Clause 12.1 of the scheme or by testamentary documents, no person other than the Participant to whom the Option is granted shall be entitled to Exercise the Option.

19 Transferability of Shares

- 19.1 Subject to Clause 14 and clause 26.8 below, any Participant (Employee/ ex-Employee/ Beneficiary), who wishes to sell the Shares acquired pursuant to Exercise of Grants, can sell the Shares freely over the recognized stock exchange in India where such Shares are listed.

20 Withholding Tax or any other Sums

- 20.1 All Options granted under this Scheme shall be subject to all applicable taxes, withholding tax and/ or any levy and/ or any contribution and/ or any sums due (by whatever name it is called) arising due to participation in the Scheme (in or outside India), if any, and the Company or Committee, accordingly, may withhold such taxes and/ or levy and/ or contribution and/ or payment in full unless Committee decides to withhold in part.
- 20.2 Notwithstanding anything contained in any other Clauses of the Scheme, if, on the Grant of the Option and/ or the Vesting of Option and/ or the Exercise of the Options and/ or allotment or transfer of the Shares under the Scheme and or at anytime while this Scheme is in operation shall be subject to any levy and/ or taxes or contribution or payment (by whatever name called), if any, that is levied on or payable by the Company/employing entity (in or outside India). Such taxes and/ or levy and/ or contribution and/ or payment shall be recovered in full, unless the Committee at its sole discretion decides to recover in part from the Participant.
- 20.3 Notwithstanding anything else contained in this Scheme, no Shares/ sale proceeds therefrom, as the case may be, shall be issued/ allotted/ transferred/ disbursed to the Participant/ Nominee, on Exercise of the Options under the Scheme, unless appropriate levies/ taxes/ contributions/ payments as given in this Clause are recovered in full, unless the Committee at its sole discretion decides to recover only a part of the same from the Participant or Beneficiary.

21 Arbitration

- 21.1 In the event of a dispute arising out of or in relation to the provisions of this Scheme (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 giving, 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
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third arbitrator to be jointly appointed by the two arbitrators appointed by the parties. The arbitration proceedings shall be held in 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.

22 Tenure

- 22.1 This Scheme shall continue in effect unless (i) terminated by the Company/ the Committee, or (ii) the date on which all of the Options available for issuance under the ESOS 2020 have been issued and exercised, whichever is earlier..
- 22.2 Any such termination of this Scheme(s) shall not affect Options/ Shares already Granted and such Options/ Shares shall remain in full force and effect as if the Scheme had not been terminated unless mutually agreed otherwise between the Participant/ Beneficiary and the Committee/ the Company.

23 Governing Law

- 23.1 This Scheme and all agreements thereunder shall be governed by and construed in accordance with the applicable laws of India.
- 23.2 The Participant agrees and acknowledges that the Participant has received and read a copy of the Scheme. The Options are subject to the Scheme. Any term of the Scheme that is contrary to the requirement of the SEBI Regulations or any other Applicable Law, including but not limited to the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder shall not apply to the extent it is contrary.
- 23.3 In the event that any term, condition or provision of the Scheme being held to be a violation of any Applicable Law, statute or regulation the same shall be severable from the rest of the Scheme and shall be of no force and effect and the Scheme shall remain in full force and effect as if such term, condition or provision had not originally been contained in the Scheme.
- 23.4 In order to comply with regulation of any other country or to avail any tax or other benefits, Committee or Board may at its sole discretion formulate an addendum to this Scheme for Employees employed in that country and made applicable to such Employees from the date determined by the Committee/ Board.

24 Regulatory approvals

- 24.1 The implementation of the Scheme, the Grant of any Option as per terms of the Scheme and the issuance of any Shares shall be subject to the procurement by the Company and/or the Participant/ Beneficiary of all approvals and permits required by any regulatory authorities having jurisdiction over the Scheme, the Options and the Shares issued pursuant thereto. The Participant/ Beneficiary under this Scheme will, if requested by the Committee, provide such assurances and representations to the Company or the Committee, as the Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.
- 24.2 The Board/Company shall make all the relevant disclosures in the Director's Report in relation to the Scheme as are required under the SEBI Regulations and other Applicable Laws.
- 24.3 The Board/Company shall follow and confirm to applicable accounting policies issued by the
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Institute of Chartered Accountants of India from time to time and/or accounting policies as per the SEBI Regulations

25 Modification of Scheme

- 25.1 The Board/ Committee may, subject to a special resolution passed at a General meeting at any time and from time to time:
- i. Revoke, add to, alter, amend or vary all or any of the terms and conditions of the Scheme or all or any of the rights and obligations of the Grantee/ Participant/ Beneficiary;
 - ii. Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Grantee/ Participant/ Beneficiary. Each of such sets of special terms and conditions shall be restricted in its application to those Grantee/ Participant/ Beneficiary;
 - iii. Formulate separate sets of special terms and conditions in addition to those set out herein, to apply to each class or category of Grantee/ Participant/ Beneficiary separately and each of such sets of special terms and conditions shall be restricted in its applications to such Grantee/ Participant/ Beneficiary; and
 - iv. Alter the Exercise Price, if the Option becomes unattractive due to fall in market price of the Shares in the stock market.

Provided that no variation, alteration, addition or amendment to the Scheme can be made if it is detrimental to the interests of the Grantee/ Participant/ Beneficiary and the approval of the shareholders in General Meeting has been obtained unless the terms are varied to meet any regulatory requirements.

- 25.2 Subject to the Clause 25.1, the Company may by special resolution in a General Meeting vary the terms of the Schemes offered pursuant to an earlier resolution of the general body but not yet exercised by the Employee provided such variation is not prejudicial to the interests of the Employees The notice for passing special resolution for variation of terms of the Scheme shall disclose full details of the variation, the rationale thereof, and the details of the Employees who are beneficiary of such variation.

26 Miscellaneous provisions

- 26.1 No right to a Grant: Neither the adoption of the Scheme, nor any action of the Board shall be deemed to give an Employee any right to be granted an Option to acquire Shares or to any other rights hereunder except as may be evidenced by a Grant Letter, and then only to the extent of and on the terms and conditions expressly set forth therein, or in the Scheme as the case may be.
- 26.2 No employment rights conferred: Nothing contained in the Scheme 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 employment at any time.
- 26.3 Adherence to Applicable Laws: The Participant shall comply with all Applicable Laws.
- 26.4 Transfer or Deputation: In the event that a Participant who has been granted Options under this Scheme is transferred or deputed to any other Company in the Group prior to Vesting or Exercise, the Vesting and/or Exercise as per the terms of Grant shall continue in case of such transferred or deputed Participant even after the transfer or deputation.
- 26.5 Certificate from Auditors-The Board shall in accordance with the Applicable Laws from time to time, at each annual general meeting place before the shareholders a certificate from the auditors of the Company that the ESOS 2020 has been implemented in accordance with the
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SEBI Regulations and in accordance with the resolution of the Company in the general meeting.

- 26.6 This Scheme shall not confer on any person any legal or equitable rights against the Company or the Board directly or indirectly or give rise to any cause of action at law or in equity against the Company or the Board.
- 26.7 The Company shall bear the costs of establishing and administering this Scheme, including any costs of the Company's auditors or any independent financial adviser in relation to the preparation of any confirmation by them or provision of any other service in relation to this Service.
- 26.8 The Participant shall comply with the provisions of 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, to the extent applicable, as well as any code of conduct or such similar policy procedure or system formulated or adopted by the Board and communicated to the Participant from time to time. Any violation of the Applicable Laws or code of conduct may result in cancellation of all Vested and Unvested Options as well as subject the Participant to disciplinary action at the discretion of the Company.
- 26.9 The acceptance of the Grant is entirely voluntary and the Company or the Board does not guarantee any return on Shares or Options. Any loss due to fluctuations in the price of the equity and the risks associated with the investments is that of the Participant alone.
- 26.10 This Scheme constitutes the entire document in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter.

27 Set-off

- 27.1 It is the Group's/ the Committee's obligation to convey to the Participant/ Nominee that the Shares shall be subject to set-off or counterclaim of amounts owed by the Participant/ Nominee to the Group/ the Committee, to the extent permitted under Applicable Laws.

28 Confidentiality

- 28.1 Notwithstanding anything contained in this Scheme, the Grantee/ Participant/ Nominee shall not divulge the details of the Scheme and/ or his holdings to any person except with the prior written permission of the Company/ the Committee unless so required to do under the Applicable Laws or any statutes or regulations applicable to such Grantee/ Participant/ Nominee. In case of failure to comply with this Clause by the Grantee/ Participant/ Nominee, the Grant or the contract referred to in Clause 8.3 above, as the case may be, shall, unless the Company/ the Committee decides otherwise, stand automatically terminated without any surviving right/ liability for any party.
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