



ANUPAM RASAYAN INDIA LTD.

Date: September 11, 2021

ARILSLDSTX20210911040

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai -400001, India
SCRIP CODE: 543275

To,
Sr. General Manager
National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block-G,
Bandra Kurla Complex
Bandra (East), Mumbai 400051, India
SYMBOL: ANURAS

Dear Sir/Madam,

Subject: Clarification sought by National Stock Exchange of India Limited (NSE) with respect to the outcome of the board meeting of the Company submitted to the stock exchanges BSE Limited and NSE regarding the modification of 'Anupam Employees Stock Option Plan 2020' (ESOP - 2020), at its board meeting held on September 4, 2021.

We refer to your communication/ e-mail dated September 7, 2021, seeking clarification with respect to the outcome of the board meeting of the Company submitted to the stock exchanges BSE & NSE on September 4, 2021, regarding the modification of ESOP - 2020 at its board meeting held on September 4, 2021, on the following -

1. Whether the scheme is in terms of SEBI (SBEB) Regulations, 2014 (if applicable);
2. Variation of terms of options;
3. Brief details of significant terms.

The clarifications are submitted in the enclosed letter detailing the significant modifications in the 'Anupam - Employees Stock Option Plan 2020' (ESOP - 2020) in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Thanking you,

Yours Faithfully,
For Anupam Rasayan India Limited

Suchi Agarwal
Company Secretary & Compliance Officer
Membership No.: A32822

Enclosure: clarifications on ESOP- 2020

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Clarifications with respect to the modification of 'Anupam Employees Stock Option Plan 2020' at the Company's board meeting held on September 4, 2021

1. Whether the scheme is in terms of SEBI (SBEB) Regulations, 2014 (if applicable);

Submission: Yes, the 'Anupam - Employees Stock Option Plan 2020' (ESOP - 2020) is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

The 'Anupam - Employees Stock Option Plan 2020' (ESOP - 2020), was approved pursuant to the special resolution passed by the shareholders in their extra-ordinary general meeting held on December 4, 2020, under the erstwhile Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Pursuant to Regulation 12 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, which came into effect from August 13, 2021, no company shall make any fresh grant which involves allotment or transfer of shares to its employees under any scheme formulated prior to its initial public offer (IPO) and prior to the listing of its equity shares ('pre-IPO scheme') unless such pre-IPO scheme is ratified by the shareholders of the Company subsequent to the IPO.

The ESOP - 2020 with proposed modifications/amendments which has been approved by the Board, is recommended to the Shareholders for their approval and ratification in the ensuing 18th Annual General Meeting to be held on September 30, 2021.

2. Variation of terms of options;

Submission: This is to inform you that there are no variations of terms of Options under the ESOP - 2020. However, the amendment to ESOP - 2020 is proposed at the ensuing 18th Annual General Meeting to make it in conformity with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The gist of the same is as mentioned under point No. 3:

3. Brief details of significant terms

Submission:

Major proposed amendments in ESOP - 2020 to make it in conformity with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are given below:



A. Inclusion of new definitions

2.1 (iii) "**Associate Company**" means a company (present or future) which shall have the same meaning as defined under section 2(6) of the Companies Act, 2013 (18 of 2013);

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

2.1 (xxi) "**Grant Date**" means the date on which the compensation committee approves the grant. For accounting purposes, the grant date will be determined in accordance with applicable accounting standards;

2.1 (xxiii) "**Grantee**" means an Employee who receives an offer of Options from the Company or the Committee under the Scheme.

2.1 (xxiv) "**Group**" means two or more companies (present or future) which, directly or indirectly, are in a position to—

(i) exercise twenty-six per cent or more of the voting rights in the other company; or

(ii) appoint more than fifty per cent of the members of the Board of Directors in the other company; or

(iii) control the management or affairs of the other company;

2.1 (xxvii) "**Independent Director**" shall have the same meaning assigned to it under the provisions of Companies Act, 2013 read together with the rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.1 (xxviii) "**Key Managerial Personnel**" shall have the same meaning as defined under section 2(51) of the Companies Act, 2013.

2.1 (xxxv) "**Relative**" shall have the same meaning as defined under section 2(77) of the Companies Act.

2.1 (xxxix) "**SEBI (SBEB and Sweat Equity) Regulations**" means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended and re-enacted from time to time and includes any clarifications or circulars issued thereunder

2.1 (xl) "**Secretarial Auditor**" means a company secretary in practice appointed by a company under rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 to conduct secretarial audit pursuant to regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Section 204 of the Companies Act.

2.1 (xli) "**Securities**" means securities as defined in section 2(h) of the Securities Contracts (Regulation) Act, 1956 (42 of 1956).



B. Substitution of definition of

2.1 (xii) Employee with below:-

Employee” means

- (i) an employee as designated by the company, who is exclusively working in India or outside India; or
- (ii) a director of the company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or
- (iii) an employee as defined in sub-clauses (i) or (ii), of a group company including subsidiary or its associate company, in India or outside India, or of a holding company of the company, but does not include—
 - (a) an employee who is a promoter or a person belonging to the promoter group; or
 - (b) a director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company;

2.1 (xv) “**ESOP - 2020**” or “**Scheme**” means the Anupam- Employees Stock Option Plan 2020 under which the Company is authorized to grant Employee Stock Options to the Employees. The ESOP-2020 was first approved and implemented by the Company under the erstwhile Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 together with its amendments and modifications and read with the circulars issued thereunder, and now amended/modified by the shareholders after listing of Equity Shares of the Company on Stock Exchanges, under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (as amended).

2.1 (xxx) “**Market Price**” means the latest available closing price, immediately prior to the date of grant of Options by the Board/ Committee, on the recognized Stock Exchange on which the Shares of the Company are listed, in case of the Options to be granted post listing of Equity Shares of the Company. In case of Options granted prior to listing of the Equity Shares of the Company on the Stock Exchanges, the Market Price shall be the fair market value as calculated by a by a Registered Valuer or a Chartered Accountant or a Merchant banker as the case may be as required under relevant Regulations. In case Shares are listed on more than one Stock Exchange, then the closing price on the Stock Exchange where the highest trading volume on the said date shall be considered.

C. Major amendments in below clauses-

1) Inclusion of Clause 1.5:

1.5 The ESOP – 2020 was approved and implemented in accordance with the provisions of the Companies Act 2013 and rules framed thereunder and the erstwhile Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with the amendments, modification thereof from time to time and any circulars issued thereunder (as defined under the definition section of this Scheme). Any acts, deeds and things done/ implemented before enactment of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, with effect from August 13, 2021, shall stand valid and subsisting. Further, any implementation and activities already carried under the Scheme with respect to the applicable regulations shall have its reference to the SEBI SBEB Regulations.



2.) Clause 3.1 has been amended to include the underlined text-

3.1 Pursuant to the special resolution by the shareholders in the extra-ordinary general meeting on December 4, 2020, the Company is authorized by the shareholders to issue to the Employees under ESOP-2020, not exceeding 13,12,795 (thirteen lakh twelve thousand seven hundred and ninety-five) Employee Stock Options convertible into not more than 13,12,795 (thirteen lakh twelve thousand seven hundred and ninety-five) Shares of face value of Rs. 10/- (Rupees Ten) each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the Company, in accordance with the terms and conditions of such issue, in compliance with the SEBI SBEB Regulations and ratification/approval by the shareholders vide special resolution in the 18th annual general meeting on [●] of said ESOP-2020 in accordance with SEBI (SBEB and Sweat Equity) Regulations. Further the maximum number of Options to be granted per Employee per Grant and in aggregate shall not exceed 13,12,795 (thirteen lakh twelve thousand seven hundred and ninety-five).

3.) Clause 4.2 in terms of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, following points have been included in clause 4.2 -

- (j) the procedure for buy-back of specified securities issued under these regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:
 - (i) permissible sources of financing for buy-back;
 - (ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
 - (iii) limits upon quantum of Employee Stock Options that the Company may buy-back in a financial year.

4.) Clause 7.1 in terms of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, following points have been included in Clause 7.1-

- (c) No amount shall be payable by the Option Grantee at the time of Grant and hence no amount is required to be forfeited even if an Employee does not Exercise the Options within Exercise Period and accordingly no adjustment is required to be made for the same.

5.) Clause 7.4 has been substituted to read as below, in terms of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021-

7.4 In the event that an Employee who has been granted benefits under a Scheme, is transferred pursuant to scheme of arrangement, amalgamation, merger or demerger or continued in the existing Company, prior to the Vesting or Exercise, the treatment of Options in such case shall be specified in such scheme of arrangement, amalgamation, merger or demerger provided that such treatment shall not be prejudicial to the interest of the Employee.



6.) Clause 10 has been substituted to read as below-

10 Exit route

If the Company gets de-listed from all the Stock Exchange/s, then the Board 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.

7.) Clause 12.6 has been amended and following proviso is added which reads as below-

12.6 Provided that, subject to the Applicable Laws, the Company may fund or permit the empaneled stock brokers to make suitable arrangements to fund the Employee for payment of Exercise Price, the amount necessary to meet his/her tax obligations and other related expenses pursuant to Exercise of Options granted under the ESOP 2020 and such amount shall be adjusted against the sale proceeds of some or all the Shares of such Employee.

8.) Clause 15.1 has been substituted to read as below-

15.1 Government Regulations

The ESOP - 2020 shall be subject to all Applicable Law. The Grant of Options and allotment of Shares to the Employees under this ESOP – 2020 shall be subject to the Company requiring the Employees to comply with all Applicable Law.

9.) Clause 16.1 has been amended and the text amended underlined reads as below-

16.1 The Company shall follow the laws/regulations applicable to accounting and disclosure related to Employee Stock Options, including section 133 of the Companies Act but not limited to SEBI (SBEB and Sweat Equity) Regulations as well as the Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the regulatory authorities from time to time, including the disclosure requirements prescribed therein, as and when applicable to the Company.

10.) Addition of words “Secretarial” before the words “Auditor” in Clause 17 of the ESOP – 2020.

