‘Allcargo Logistics Limited– Special Purpose Employee Stock Appreciation Rights Plan 2026’

Allcargo Logistics Limited

CIN: L63010MH2004PLC073508

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This **Allcargo Logistics Limited– Special Purpose Employee Stock Appreciation Rights Plan 2026** was formulated by the Board of Directors of the Company by passing resolution by circulation dated June 18, 2026, pursuant to the authority vested in it by the Scheme of Arrangement approved by the NCLT vide its order dated October 10, 2025, which has become effective as of the Effective Date i.e. from the close of business hours of November 01, 2025.

1. Name, Objective and Term of the SP – ESAR 2026

1.1 This Scheme shall be called as 'Allcargo Logistics Limited – Special Purpose Employee Stock Appreciation Rights Plan – 2026' ("**SP – ESAR 2026**" or "**Scheme**").

1.2 This Scheme has been formulated, pursuant to Clause 31.4 of the Scheme of Arrangement, with a view to restore the value by making fair and reasonable adjustment to the ESARs granted under ESAR 2021 of the Transferor Company to the eligible Employees.

1.3 Each such eligible Employee shall be granted 63 (Sixty-three) ESARs (including fractional entitlements) under SP – ESAR 2026, for every 10 (Ten) ESARs (whether vested or not) outstanding as on the Effective Date in the Transferor Company under ESAR 2021, by adopting the terms and conditions similar to the ESAR 2021.

1.4 The **SP – ESAR 2026** shall come into effect on the Effective Date and continue to be in force until (i) its termination by the Board/ Committee; or (ii) the date on which all the Shares reserved under the Scheme are allotted pursuant to Exercise of the ESARs, whichever is earlier.

2. Definitions and Interpretation

2.1 **Definitions**

i. **"Applicable Laws"** means every law relating to Employee Stock Appreciation Rights, to the extent applicable including and without limitation to the Companies Act, 2013, Securities and Exchange Board of India Act, 1992, Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 ("**SBEB Regulations**") and includes any statutory modifications or re-enactments thereof and all relevant tax, securities, exchange control or corporate laws or amendments thereof including any circular, notification issued thereunder, of India or of any relevant jurisdiction or of any Stock Exchange on which the Shares are listed or quoted.

ii. "**Appreciation**" means the excess of Market Price of the Share determined with reference to date of Exercise of ESARs over the ESAR Price.

iii. "**Associate Company**" shall have the same meaning as defined under section 2(6) of the Companies Act, 2013.

iv. “**Board**” means the Board of Directors of the Company.

v. “**Cash**” means amount paid in Indian rupees or in any recognized currency for Settlement of ESARs in case of fraction of Shares and includes payment by way of cheque, demand draft or through any other banking channel.

vi. **“Committee”** means the Nomination and Remuneration Committee constituted by the Board from time to time, to administer and supervise the Scheme and other employee benefit plan/schemes, if any, comprising of such members of the Board as provided under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to act compensation committee under Regulation 5 of the Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021.

vii. “**Companies Act**” means the Companies Act, 2013 read with rules issued thereunder from time to time and includes any statutory modifications or reenactments thereof.

viii. “**Company**” or ‘**Transferee Company**’ means ‘**Allcargo Logistics Limited**’, a Company incorporated under the provisions of the Companies Act, having CIN: L63010MH2004PLC073508 and its registered office at 6th Floor, Allcargo House, CST Road, Kalina, Santacruz (E), Mumbai - 400098.

ix. **“Company Policies/ Terms of Employment”** means the Company’s policies for Employees and the terms of employment as contained in the employment letter and the company handbook, which includes provisions requiring a desired level of performance, the securing confidentiality, non-compete and non-poaching other employees and customers, Policies/terms of employment of Subsidiary Company(ies) or Associate Company(ies) or Holding Company of the Company as regards an ESAR Grantee on payrolls of such Subsidiary Company(ies) or Associate Company(ies) or Holding Company of the Company shall be deemed to be “Company Policies/ Terms of Employment” for such ESAR Grantee.

x. “**Director**” means a member of the Board of the Company.

xi. “**Effective Date**" shall have the same meaning as defined in the Scheme of Arrangement.

xii. "**Employee**" means all the ESAR Holders as on the Effective Date, regardless of whether they remain with the Transferor Company or transfer to the Transferee Company as part of the Scheme of Arrangement.

xiii. "**Employee Stock Appreciation Right**" or "**ESAR**" means a right given to an ESAR Grantee entitling him/her to receive Appreciation by way of Shares of the Company or Cash (for a fraction of a Share), as the case may be, in accordance with and subject to the terms and conditions of the Scheme.

xiv. "**ESAR Grantee**" means an Employee who has been granted ESARs and shall be deemed to include nominee/ legal heirs of the said Employee in case of his/her death to the extent provisions of the Scheme are applicable to such nominee/ legal heirs.

xv. "**ESAR Holders**" means all eligible employees holding ESAR (whether vested or unvested) granted under the ESAR 2021 as of the Effective Date.

xvi. "**ESAR Price**" means the base price determined on the Grant Date by the Committee as per the provisions of Sub-clause 8.1 of this Scheme with reference to which Appreciation is computed,

xvii. "**ESAR 2021**" means the 'Gati - Employees Stock Appreciation Rights Plan 2021' implemented by the Transferor Company and amended from time to time.

xviii. **"Exercise"** means making of an application by the ESAR Grantee to the Company for receiving Appreciation in the form of Shares or Cash (for a fraction of a Share) against Vested ESARs in pursuance of the Scheme.

xix. **"Exercise Period"** means such time period after Vesting within which the ESAR Grantee should Exercise the rights for receiving Appreciation against Vested ESARs, in pursuance of the Scheme.

xx. **"Grant**" means the process by which the Company issues ESARs to the Employees under the Scheme.

xxi. **"Grant Date"** means the date of the meeting of the Committee in which Grant of ESARs to the Employees is approved.

Explanation - For accounting purposes, the grant date will be determined in accordance with applicable accounting standards.

xxii. **"Holding Company"** means any present or future Holding Company of the Company, as per the provisions of the Companies Act.

xxiii. "**Market Price"** means the latest available closing price of Shares on the Recognized Stock Exchange on which the Shares of the Company are listed on the date immediately prior to the applicable Relevant Date.

Explanation - If such Shares are listed on more than one Stock Exchanges, then the closing price on such stock exchange having higher trading volume shall be considered as the Market Price.

xxiv. "**Misconduct**" means any of the following acts or omissions by an Employee in addition to or any provisions prescribed in the offer amounting to violation breach of terms of Company Policy or Terms of Employment as determined by the Committee after giving the Employee an opportunity of being heard:

a. committing of any act warranting summary termination under law; or
b. conduct which in the reasonable opinion of the Committee amounts to a serious breach of the obligation of trust and confidence by an ESAR Grantee; or
c. a finding by the Committee that an ESAR Grantee has committed any material consistent breach of any of the terms or conditions of Employee service agreement including any willful neglect of or refusal to carry out any of his duties or to comply with any instruction given to him by the Committee; or
d. being convicted of any criminal offence; or
e. being disqualified from holding office in the Company or any other company under any legislation or being disqualified or disbarred from membership of, or being subject to any serious disciplinary action by, any regulatory body within the industry, which undermines the confidence of the Committee in the individual's continued employment; or
f. having acted or attempted to act in any way which in the opinion of the Committee has brought or could bring the Company or any of its group member into disrepute or discredit; or
g. breach or violation of any Company Policies/ Terms of Employment.

xxv. "**NCLT**" means the National Company Law Tribunal, Mumbai having jurisdiction in relation to the amalgamation of the Transferor Company into the Transferee Company and which has approved the Scheme of Arrangement.

xxvi. "**Permanent Disability or Incapacity**" means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Committee based on a certificate of a medical expert identified by the Committee.

xxvii. "**Recognized Stock Exchange**" means the National Stock Exchange of India Limited, BSE Limited or any other recognized stock exchanges in India on which the Company's Shares are listed or to be listed.

xxviii. **“Relevant Date”** means:

(i) in the case of Grant, the Grant Date; or
(ii) in the case of Exercise, the date on which the application for Exercise is submitted to the Company by the ESAR Grantee.

xxix. **“Retirement”** means retirement as per the policy of the Company.

xxx. “**Transferor Company**” means ‘**Allcargo Gati Limited**’, a company incorporated under the provisions of the Companies Act, 1956, having CIN: L63011MH1995PLC420155 and its registered office at 303 to 306, Ascot Centre Premises CHS Limited, Near ITC Maratha Hotel, off Sahar Road, Andheri (East), Mumbai 400099.

xxxi. “**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.

xxxii. **“Settlement**” of an ESAR means payment of Appreciation by way of allotment of Shares or payment of Cash (for a fraction of a Share), as the case may be, as decided by the Committee.

xxxiii. “**Share**” means an equity share of the Company of face value of Rs.2/- (Rupees Two Only) each fully paid-up and includes equity shares arising out of the Exercise of ESARs granted under the Scheme,

xxxiv. “**Scheme of Arrangement**” means the composite scheme of arrangement amongst the Transferor Company and Transferee Company, as approved by the NCLT vide its Order dated October 10, 2025 and deemed to include any amendments effected in due compliance with Applicable Laws.

xxxv. “**Subsidiary Company**” means any present or future subsidiary company of the Company, as defined in the Companies Act.

xxxvi. **“Unvested ESAR”** means an ESAR in respect of which the relevant Vesting Conditions have not been satisfied and as such, the ESAR Grantee has not become eligible to Exercise the ESAR.

xxxvii. **“Vest**” or “**Vesting**” means earning by the ESAR Grantee, of the right to Exercise the ESARs granted to him/her in pursuance of the Scheme.

xxxviii. "**Vested ESAR**" means an ESAR in respect of which the relevant Vesting Conditions have been satisfied and the ESAR Grantee has become eligible to exercise the rights.

xxxix. **"Vesting Condition"** means the conditions subject to which the ESARs granted would Vest in an ESAR Grantee.

xl. "**Vesting Period**" means the period during which the Vesting of the ESARs granted to the ESAR Grantees in pursuance of the Scheme takes place.

2.2 **Interpretation**

In this Scheme, 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) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.

3. Authority and Ceiling

3.1 Pursuant to the Scheme of Arrangement, the Committee to Grant not exceeding 1,09,97,500 (One Crore Nine Lakhs Ninety Seven Thousand Five Hundred) ESARs to the eligible Employees, which in aggregate shall be exercisable into not more than 1,09,97,500 (One Crore Nine Lakhs Ninety Seven Thousand Five Hundred) Shares, in accordance with the terms and conditions as may be decided under the SP – ESAR 2026.

3.2 If an ESAR expires or becomes un-exercisable due to any other reason, it shall be cancelled and not brought back to the ESARs pool as mentioned in Sub-clause 3.1 and not be available for future Grants.

3.3 Where Shares are issued consequent to an Exercise of an ESAR under the Scheme, the maximum number of Shares that can be issued under the Scheme as referred to in Clause 3.1 above will stand reduced to the extent of such Shares issued.

3.4 In case of a share-split where the face value of the shares is reduced, the maximum number of shares available for being granted under the Scheme shall stand modified accordingly, so as to ensure that the cumulative face value (No. of shares X Face value per share) prior to such split remains unchanged after the share split.

3.5 In case of a consolidation where the face value of the shares is increased, the maximum number of shares available for being granted under the Scheme shall stand modified accordingly, so as to ensure that the cumulative face value (No. of shares X Face value per share) prior to such consolidation remains unchanged after the share consolidation.

4. Administration

4.1 The Scheme shall be administered by the Committee. All the functions relating to the administration and superintendence of the Scheme shall stand vested with the Committee, in which case the rights, powers, duties or liabilities of the Board to the extent delegated shall be discharged by the said Committee. All questions of interpretation of the Scheme shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Scheme.

4.2 The Committee shall, in accordance with the Scheme and Applicable Laws, determine the following:

(a) The quantum of ESARs to be granted under the Scheme per Employee, subject to the ceiling as specified in Para 3.1;

(b) The eligibility criteria;

(c) The procedure for making a fair and reasonable adjustment to the number of ESARs and to the ESAR 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 ESAR shall be adjusted in a manner such that total value of the ESAR remains the same after the corporate action; and

(ii) the Vesting Period and the life of the ESAR shall be left unaltered as far as possible to protect the rights of the ESAR Grantees.

(d) The procedure and terms for the Grant, Vest and Exercise of ESARs in case of ESAR Grantees who are on a long leave;

(e) the right of an Employee to Exercise all the ESARs vested in him at one time or at various points of time within the Exercise Period;

(f) the conditions under which ESAR vested in Employees may lapse in case of termination of employment for misconduct;

(g) the procedure for buy-back of ESARs granted under the Scheme 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 ESARs that the Company may buy-back in a financial year.

(h) the procedure for funding for Exercise of ESARs, as permitted under the Applicable Laws;

(i) Approve forms, writings and/or agreements for use in pursuance of the Scheme;

4.3 The Company shall also have in place suitable policies and systems to ensure that there is no violation of (a) Securities and Exchange Board of India (Prohibition of Insider

Trading) Regulations, 2015 (as amended from time to time) (b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 (as amended from time to time) and (c) any other regulation as may be notified by the Securities and Exchange Board of India or any other authority from time to time, by the Company and any Employee.

5. Eligibility and Applicability

5.1 Only Employees are eligible for being granted ESARs under the Scheme. The specific Employees to whom the ESARs would be granted and their eligibility criteria would be determined by the Committee in accordance with the Scheme of Arrangement.

5.2 The Scheme shall be applicable to the Company or any successor Company thereof, and the Employees of the Company and Transferor Company to the extent the ESARs granted under the Scheme, as determined by the Committee.

6. Grant Acceptance of Grant

6.1 **Grant of ESARs**
Each Grant of ESARs under the Scheme shall be made in writing by the Company to the eligible Employees in such form as may be approved under the Scheme from time to time.

6.2 **Acceptance of the Grant**

The eligible Employees are not required to make any formal communication for acceptance of the Grant, and it shall be treated as deemed acceptance when the Grant is made under this Scheme.

6.3 No amount is payable by the ESAR Grantee at the time of Grant and until Exercise of Vested ESARs.

7. Vesting Schedule / Conditions

7.1 The ESARs granted under the Scheme would Vest after **One year** but not later than **Four years** from the Grant Date.

Provided that for determining the minimum Vesting Period required for ESARs that may be granted by the Transferee Company under the Scheme to the eligible Employees, the period during which the eligible Employees held the ESARs granted under the ESAR 2021 by the Transferor Company prior to the Grant of the ESARs by the Transferee Company shall be adjusted against the minimum Vesting Period required under this sub-clause, subject to Applicable Laws.

Provided further that in the event of death or Permanent Incapacity of the ESAR Grantee, the minimum Vesting Period shall not be applicable and in such instances, all the Unvested ESARs shall Vest with effect from date of the death or Permanent Incapacity.

7.2 Vesting of ESARs would be subject to continued employment with the Company, its Holding Company or Subsidiary Company or Associate Company, as the case may be, and achievement of certain performance parameters.

7.3 The Committee may also specify certain performance parameters subject to achievement of which the ESARs would vest. The specific Vesting schedule and Vesting conditions subject to which Vesting would take place would be outlined in the document given to the ESAR Grantee at the time of Grant of ESARs.

7.4 **Vesting of ESARs in case of Employees on long leave**

The period of leave shall not be considered in determining the Vesting Period in the event the ESAR Grantee is on a sabbatical. 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 Committee.

7.5 **Power to accelerate vesting in certain cases**

Notwithstanding anything contrary to the provisions stated in this clause, in compliance with the Applicable laws, the Committee retains the absolute right to facilitate accelerated Vesting of the Unvested ESARs as on date of approval within the meaning of the Scheme. Such accelerated Vesting may be allowed subject to minimum vesting period of 1(one) year. The Unvested ESARs shall be treated as Vested ESARs with effect from date of such acceleration of Vesting.

8. ESAR Price and Exercise Period

8.1 **ESAR Price**

(i) The ESAR Price per ESAR shall be determined by the Committee and set out in the letter of Grant, based on the fair and reasonable adjustments made to the ESARs granted to the eligible Employee under the ESAR 2021 and the ESARs granted under this Scheme. This price shall not be less than the face value of the Shares as of the Grant Date.

(ii) The ESAR Price shall have relevance for the purpose of determination of Appreciation and the ESAR Grantees are not required to pay the ESAR Price. However, upon Vested ESARs are settled by way of allotment of Shares, the ESAR Grantees shall pay the face value of Shares prevailing at the time of such allotment as per Sub-clause 8.3 of the Scheme.

8.2 **Provisions relating to Exercise of ESARs**

(i) The Vested ESARs may be exercised by the ESAR Grantee at any time within the period determined by the Committee from time to time subject to a maximum period of **five (5)** years from the date of Vesting of the respective ESARs.

(ii) Subject to the maximum Exercise Period approved by the Shareholders of the Company from the date of Vesting of ESARs, the ESARs can be exercised as per the provisions outlined in the table below:

S No	Events	Vested ESARs	Unvested ESARs
1	**While in employment**	All the Vested ESARs can be exercised within **5 (Five) years** from the date of Vesting of respective ESARs.	All Unvested ESARs would continue to Vest as per the original vesting schedule.
2	**Resignation / Termination (other than due to Misconduct)**	All the Vested ESARs as on the date of submission of resignation or date of termination, shall be exercisable by the ESAR Grantee on or before **last working day**.	All Unvested ESARs as on the date of submission of resignation or date of termination shall stand **cancelled** with effect from that date.
3	**Termination due to Misconduct**	All the Vested ESARs which were not exercised at the time of such termination shall stand **cancelled** with effect from the date of such termination.	All Unvested ESARs on the date of such termination shall stand **cancelled** with effect from the termination date.
4	**Retirement / early Retirement approved by the Company**	All the Vested ESARs as on the date of Retirement, shall be exercisable by the ESAR Grantee within a period of **6 (Six) months** from the date of such Retirement.	All the Unvested ESARs shall continue to vest as per Vesting schedule as originally prescribed and shall be exercisable by the ESAR Grantee within a period of **3 (three) months** from the date of such Vesting.
5	**Death**	All the Vested ESARs shall be exercisable by the nominee or legal heir (s) of the deceased ESAR Grantee, immediately after, but in no event later than **12 (Twelve) months** from the date of death.	All the Unvested ESARs as on the date of death shall **Vest immediately** and be exercisable as per provisions applicable for Vested ESARs.
6	**Termination due to Permanent Incapacity**	All the Vested ESARs, may be exercised by the ESAR Grantee immediately after, but in no event later than **12 (Twelve) months**	All the Unvested ESARs as on the date of incurring such incapacity shall **Vest immediately** and be

		from the date of incurring such incapacity.	exercisable as per provisions applicable for Vested ESARs.
7	**Transfer / deputation from/to the Company, or any of its Subsidiary Company(ies) or Associate(ies) to the Holding Company of the Company**	Exercise period to remain same as per the terms of Grant. In case of subsequent separation, if any, from the Company, or Associate Company or the Holding Company of the Company, treatment of Vested ESARs shall be as per applicable circumstance mentioned in this table.	Vesting schedule and Exercise Period to remain same as per the terms of the Grant. In case of subsequent separation, if any, from the Company, or Associate Company or the Holding Company of the Company, treatment of Vested ESARs shall be as per applicable circumstance mentioned in this table.
8	**Termination due to any other reason apart from those mentioned above**	The Committee shall decide whether the Vested ESARs as on that date can be exercised by the ESAR Grantee or not, and such decision shall be final.	All Unvested ESARs on the date of such termination shall stand **cancelled** with effect from that date.

8.3 The ESARs shall be deemed to be exercised when an ESAR Grantee makes an application in writing to the Company or by any other means as decided by the Committee. Depending upon mode of Settlement and as communicated by the Company pursuant to submission of such application for Exercise, the ESAR Grantee shall make payment of face value per Share to be allotted and applicable taxes.

8.4 **Lapse of ESARs**

The ESARs not exercised within the Exercise Period prescribed above shall lapse and the ESAR Grantee shall have no right over such lapsed or cancelled ESARs.

9. Settlement of Exercised ESARs

9.1 **Settlement by way of allotment of Shares**

(a) Unless otherwise decided by the Committee, any or all Vested ESARs upon Exercise shall be settled by way of allotment of Shares. The number of Shares shall be determined as under:

"Number of Shares to be allotted = (Appreciation per ESAR x Number of ESARs exercised) / Market Price determined with reference to date of Exercise"

(b) If the Settlement as per Sub-clause above results in fractional Shares, then the consideration for fractional Shares shall be settled in Cash.

(c) The ESAR Grantee shall pay the face value of a Share prevailing at the time of such allotment per Share allotted subject to additional payment/ recovery of applicable taxes pursuant to the Scheme.

(d) Any payment made by an ESAR Grantee shall be made by a crossed cheque or a demand draft drawn in favour of the Company or in such other manner as the Committee may determine.

10. Lock-in

10.1 The Shares arising out of Exercise of Vested ESARs would not be subject to any lock-in period after allotment.

Provided that the Shares allotted on such Exercise cannot be sold for such period of time as prescribed under code of conduct of the Company for the prevention of Insider Trading read with the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended.

11. Exit route in case of de-listing

11.1 If the Company gets de-listed from all the Stock Exchanges, then the Board shall have the power to set out terms and conditions for the treatment of Vested ESARs and Unvested ESARs in due compliance of the then prevailing Applicable Laws.

12. Other Terms and Conditions

12.1 Nothing herein is intended to or shall give the ESAR 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 unless the ESAR Grantee exercises the ESARs and becomes a registered holder of the Shares of the Company.

12.2 The ESARs shall not be pledged, hypothecated, mortgaged, or otherwise alienated in any other manner.

12.3 If the Company issues bonus or rights Shares, the ESAR Grantee will not be eligible for the bonus or rights Shares in the capacity of an ESAR Grantee. However, an adjustment to the number of ESARs or the ESAR Price or both would be made in accordance with Sub-clause 4.2(c) of the Scheme.

12.4 ESARs shall not be transferable to any person except in the event of death of the ESAR Grantee, in which case provisions of Sub-clause 7.2 would apply.

12.5 No person other than the ESAR Grantee to whom the ESARs are granted shall be entitled to Exercise the ESARs except in the event of the death of the ESAR Grantee in which case provisions of Sub-clause 7.2 would apply. If due to Permanent Disability, an ESAR Grantee is unable to exercise the ESARs, the Committee may permit the nominee of the disabled ESAR Grantee to exercise the ESARs on his behalf.

13. Taxation

13.1 The liability of paying taxes if any, in connection with Settlement of ESARs granted pursuant to this Scheme shall be entirely on ESAR Grantee and shall be in accordance with the provisions of Income tax Act, 1961 and the rules framed thereunder.

13.2 The Company shall have the right to recover from ESAR Grantee or deduct from the ESAR Grantee's salary, any of the ESAR Grantee's tax obligations arising in connection with the Shares allotted or ESARs settled in Cash (for a fraction of a Share) upon the Exercise thereof. The Company shall have no obligation to deliver Shares or make payment of any amount of Cash (for a fraction of a Share) until the Company's tax deduction obligations, if any, have been fully satisfied by the ESAR Grantee.

14. Authority to vary terms

14.1 The Board or Committee may, if it deems necessary, modify, change, vary, amend, suspend, or terminate the Scheme, subject to compliance with the Applicable Laws and subject to the condition that no such action shall be detrimental to the interest of any ESAR Grantee holding Vested ESARs and/ or Unvested ESARs.

Provided that, the Company shall be entitled to vary the terms of the Scheme to meet any regulatory requirement without seeking shareholders' approval by way of a special resolution.

14.2 The Company may also re-price the ESARs which are not exercised, whether or not they have vested, if this Scheme is rendered unattractive due to fall in the price of the Shares, provided that the Company ensures that such re-pricing shall not be detrimental to the interest of the ESAR Grantee and approval of the shareholders by way of a special resolution has been obtained for such re-pricing.

15. Miscellaneous

15.1 Government Regulations

This Scheme shall be subject to all Applicable Laws including any statutory modification(s) or re-enactment(s) thereof, and approvals from government authorities, if any and to the extent required.

15.2 Inability to obtain approval

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 of any Shares or payment of Cash (for a fraction of a Share) hereunder shall relieve and wholly discharge the Company of any and all liability in respect of the failure to Grant the ESARs, issue Shares or pay Cash (for a fraction of a Share).

15.3 General Risks

Participation in the Scheme 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 ESAR Grantee alone. The ESAR Grantee is encouraged to make considered judgment and seek adequate information /clarifications essential for appropriate decision.

15.4 The Grant of an ESAR does not form part of the ESAR Grantee's entitlement to compensation or benefits pursuant to his/her contract of employment nor does the existence of a contract of employment between any person and the Company give such person any right or entitlement to have an ESAR granted to him/her in respect of any number of Shares or any expectation that a ESARs might be granted to him/her whether subject to any condition or at all.

15.5 Neither the existence of this Scheme nor the fact that an individual has on any occasion been granted an ESAR shall give such individual any right, entitlement or expectation that he/she has or will in future have any such right, entitlement or expectation to participate in this Scheme or any future Schemes(s) by being granted an ESAR on any other occasion.

15.6 The rights granted to an ESAR Grantee upon the grant of ESARs shall not accord the ESAR Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his/her office or employment with the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

15.7 The ESAR Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to exercise an ESAR in whole or in part.

16. Notices

16.1 All notices of communication required to be given by the Company to an ESAR Grantee by virtue of the Scheme 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 ESAR Grantee available in the records of the Company; or

ii. Delivering the communication(s) to the ESAR Grantee in person with acknowledgement of receipt thereof; or

iii. Emailing the communication(s) to the ESAR 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 ESAR Grantee after cessation of employment.

16.2 Any communication to be given by an ESAR Grantee to the Company in respect of the Scheme shall be sent to the person at the address mentioned below:
Name & Designation: Mr. Shekhar R Singh
Allcargo Logistics Limited
Registered Office: 6th Floor, Allcargo House, CST Road, Kalina, Santacruz (E), Mumbai – 400098
E-mail: secretarialdesk@allcargologistics.com

17. Governing Law and Jurisdiction

17.1 The terms and conditions of the Scheme shall be governed by and construed in accordance with the laws of India.

17.2 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 Scheme.

18. Listing of the Shares

For listing of shares issued pursuant to ESAR, the company shall obtain the in-principle approval of the Recognized Stock Exchanges where it proposes to list the said shares prior to the grant of ESAR.

Further, subject to receipt of necessary approvals in this regard, the Shares issued and allotted on Exercise of the ESARs shall rank pari passu in all respects with the then existing Shares and shall be listed on the Recognized Stock Exchanges on which the Shares of the Company are listed or proposed to be additionally listed.

19. Severability

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

20. Accounting Policy

The Company shall follow the IND AS 102 on Share based Payments and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered

Accountants of India or any other statutory authority from time to time, including the disclosure requirements prescribed therein, in compliance with relevant provisions of SBEB Regulations.

21. Certificate from Auditors and Disclosures

The Board shall at each annual general meeting place before the shareholders a certificate from the Secretarial Auditors of the Company that the Scheme has been implemented in accordance with the SEBI (SBEB and SE) Regulations 2021 and in accordance with the resolution passed by the Company in the general meeting. The Board shall also make the requisite disclosures of the Scheme, in the manner specified under the SBEB Regulations.

22. Confidentiality

22.1 ESAR Grantees must keep the details of the Scheme and all other documents in connection thereto strictly confidential and must not disclose the details with any of his/her peer, colleagues, co-employees or with any employee and/ or associate of the Company or that of its affiliates except disclosures to such authorities as required under law. In case ESAR Grantee is found in breach of this Confidentiality Clause, the Company shall have undisputed right to terminate any agreement and all unexercised ESARs 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 ESAR Grantee. In case of non-adherence to the provisions of this Clause, the Committee will have the authority to deal with such cases as it may deem fit.

22.2 The ESAR Grantee agrees that the Company may be required to disclose information of the ESAR Grantee during the process of implementation of the ESARs or while availing services relating to ESARs consulting, advisory services or ESARs Management services and/ or any other such incidental services. The ESAR Grantee hereby accords his/her consent that such confidential information regarding his/her ESARs entitlements may be disclosed by the Company to its officers, professional advisors, agents, and consultants on a need-to-know basis.

---------- END OF THE SCHEME ---------