

EMPLOYEES STOCK OPTION SCHEME, 2020



INDUSIND BANK EMPLOYEE STOCK OPTION SCHEME-2020

Section I: Short title, extent and commencement

1. This Employee Stock Option Scheme may be called the IndusInd Bank Employee Stock Option Scheme - 2020, hereinafter referred to as 'the Scheme'.
2. It applies only to the Eligible Employees.
3. The Scheme has been approved by the Board of Directors of the Bank at its meeting held on August 26, 2020 and the shareholders of the Bank at their meeting held on September 25, 2020 and modifies the existing scheme titled Employees Stock Option Scheme, 2007 in accordance with the provisions of the SEBI Regulations.
4. The Compensation Committee may, subject to compliance with law, at any time alter, amend, suspend or terminate the Scheme.

Section II: Objectives

The objectives of the Scheme are:

1. to enhance employee motivation;
2. to enable employees to participate in the long term growth and financial success of the Bank; and
3. to act as a retention mechanism, by enabling employee participation in the business as an active stakeholder to usher in an 'owner-manager' culture.

Section III: Definitions

1. As used in this Scheme, the following terms shall have the meanings as set forth below:
 - a. "Award Confirmation" means a written communication by the Bank to a Participant, evidencing grant of Options.
 - b. "Cause" means (i) act of wilful or gross misconduct or neglect; (ii) the commission of felony, fraud, misappropriation, embezzlement, breach of trust or an offence involving moral turpitude; (iii) gross or wilful insubordination; or (iv) any other act detrimental to the interest of the Bank.



- c. "Compensation Committee" means a committee of the Board of Directors of the Bank consisting of a majority of Independent Directors as constituted by the Board of Directors of the Bank to administer the Scheme.
- d. "Bank" means IndusInd Bank Limited (IBL).
- e. "Companies Act, 2013" means the Companies Act, 2013 and rules made thereunder and includes any statutory modifications or reenactments thereof.
- f. "Eligible Employee" means (a) a permanent employee of the Bank working in India or out of India; or (b) a Whole-time director; or (c) an employee as defined in sub-clause (a) or (b) of a subsidiary, in India or out of India, or of a holding company of the Bank.
But does not include:
- i. an employee who is a Promoter or a Person belonging to the Promoter Group; or
 - ii. a Whole-time director who either himself or through his Relative or through any body corporate, directly or indirectly, holds more than ten per cent (10%) of the outstanding equity shares of the Bank.
- g. "Exercise" of an Option means making of a written application by an Eligible Employee to the Bank for issue of Shares against the Options Vested in him in pursuance of the Scheme, in accordance with the procedure prescribed by the Compensation Committee.
- h. "Exercise Period" means the period commencing from the date of Vesting of Options and ending on the fifth (5th) anniversary of the date of Vesting of Options.
- i. "Exercise Price" means the price payable by an Eligible Employee in order to Exercise the Options Vested in him in pursuance of the Scheme
- j. "Fair Value" of an Option means the fair value calculated in accordance with the SEBI Regulations.
- k. "Independent Director" means a director of the Bank, within the meaning of Section 149(5) of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.



l. "Intrinsic Value" means the excess of the Market Price of the Shares over the Exercise Price of the Options

including upfront payment, if any.

- m. "Market Price" means the latest available closing price on the Recognised Stock Exchange on which the Shares of the Bank are listed on the date immediately prior to the Relevant Date and if the Shares are listed on more than one (1) stock exchange, then the closing price on the stock exchange having highest trading volume on the said date should be considered.
- n. "Option" means the option given to a Participant which given him a right to purchase or subscribe at a future date, the Shares offered by the Bank, directly or indirectly, at a pre-determined price during the Exercise Period subject to the conditions of the Scheme.
- o. "Participant" means an Eligible Employee selected by the Compensation Committee and to whom an Option is granted, or the Successors of the Participant, as the context so requires.
- p. "Permanent Incapacity" means any disability of whatsoever nature be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Eligible Employee from performing any specific job, work or task which the said Eligible Employee was capable of performing immediately before such disablement, as determined by the Compensation Committee based on a certificate of a medical expert identified by such Compensation Committee.
- q. "Person" means an individual, company, partnership, association, trust, unincorporated organisation, government or political subdivision thereof or any other entity.
- r. "Promoter" shall include a person:
 - a. who has been named as such in a draft offer document or offer document or is identified by the issuer in the annual return referred to in section 92 of the Companies Act, 2013; or
 - b. who has control over the affairs of the issuer, directly or indirectly whether as a shareholder, director or otherwise; or
 - c. in accordance with whose advice, directions or instructions the board of directors of the Bank is accustomed to act:



Provided that nothing in sub-clause (iii) shall apply to a person who is acting merely in a professional capacity;

Provided further that a financial institution, scheduled

commercial bank, foreign portfolio investor other than category III foreign investor, mutual fund, fund, alternative fund, foreign venture capital investor, insurance company registered with the Insurance Regulatory and Development Authority of India or any other category as specified by SEBI from time to time, shall not be deemed to be a promoter merely by virtue of the fact that twenty per cent (20%) or more of equity share capital of the issuer is held by such person unless such person satisfy other requirements prescribed under these regulations.

- s. "Promoter group" includes:
- a. the Promoter;
 - b. an immediate Relative of the Promoter (i.e. any spouse of that person, or any parent, brother, sister or child of the person or of the spouse); and
 - c. in case the Promoter is a body corporate:
 - i. a subsidiary or holding company of such body corporate;
 - ii. any body corporate in which the Promoter holds twenty per cent (20%) or more of the equity share capital; and/or any body corporate which holds twenty per cent (20%) or more of the equity share capital of the Promoter;
 - iii. any body corporate in which a group of individuals or companies or combinations thereof acting in concert, which hold twenty per cent (20%) or more of the equity share capital in that body corporate and such group of individuals or companies or combinations thereof also holds twenty per cent (20%) or more of the equity share capital of the issuer and are also acting in concert; and
 - d. in case the Promoter is an individual:
 - i. any body corporate in which twenty per cent (20%) or more of the equity share capital is held by the Promoter or an immediate Relative of the Promoter or a firm or Hindu Undivided Family in which the Promoter or any one (1) or more of their Relative is a member;
 - ii. any body corporate in which a body corporate as provided in (A) above holds twenty per cent (20%) or more, of the equity share capital; and
 - iii. any Hindu Undivided Family or firm in which the aggregate share of the Promoter and their Relatives is equal to or more than twenty per cent (20%) of the total capital; and
 - e. all persons whose shareholding is aggregated under the heading "shareholding of the promoter group".



Provided that a financial institution, scheduled bank, foreign portfolio investor other than category III foreign portfolio investor, mutual fund, venture capital fund, alternative investment fund, foreign venture capital investor, insurance company registered with the Insurance Regulatory and Development Authority of India or any other category as specified by the Board from time to time, shall not be deemed to be promoter group merely by virtue of the fact that twenty per cent (20%) or more of the equity share capital of the Promoter is held by such person or entity:

Provided further that such financial institution, scheduled bank, foreign portfolio investor other than Category III foreign portfolio investor, mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor insurance company registered with the Insurance Regulatory and Development Authority of India or any other category as specified by the Board from time to time shall be treated as promoter group for the subsidiaries or companies promoted by them or for the mutual fund sponsored by them.

- t. "Recognised Stock Exchange" means a stock exchange in India recognized by the SEBI.
- u. "Relative" shall have the same meaning as defined under section 2(77) of the Companies Act, 2013.
- v. "Relevant Date" means:
 - a. in the case of grant, the date of the meeting of the Compensation Committee on which the grant is made; or
 - b. in the case of exercise, the date on which the notice of exercise is given to the Bank by the Participant.
- w. "SEBI" means the Securities and Exchange Board of India.
- x. "SEBI Act" means the SEBI Act, 1992, as amended from time to time and includes all regulations and clarifications issued thereunder.
- y. "SEBI Regulations" mean the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time and includes all regulations and clarifications issued thereunder.
- z. "Scheme" means this Employees Stock Option Scheme.
- aa. "Shares" mean the equity Shares and securities convertible into equity Shares and shall include American Depository



Receipts (ADRs), Global Depository Receipts (GDRs) or other depository receipts representing underlying equity Shares or securities convertible into equity Shares.

- bb. "Successors" of a Participant means the legal heirs and/or legal representatives of a deceased Participant.
- cc. "Vesting" means the process by which the Eligible Employee becomes entitled to receive the benefit of the Options granted to him in pursuance of the Scheme.
- dd. "Vesting Confirmation" means a written communication by the Bank to a Participant, evidencing Vesting of Options.
- ee. "Vesting Criteria" means criteria as may be stipulated by the Compensation Committee for Vesting of Options.
- ff. "Vesting Period" means the period during which the Vesting of the Options granted to a Participant can take place, which shall not be less than one (1) year.

2. In the Scheme, unless the contrary intention appears:

- a. reference to "law" includes the constitution, any statute, law, rule, regulation, ordinance, judgment, order, decree, authorisation, or any published directive, guideline, requirement or governmental restriction having the force of law, or any determination by, or interpretation of any of the foregoing by, any judicial authority or administrative authority, whether in effect as of the date of the Scheme or thereafter and each as amended from time to time;
- b. all references in this Scheme to any law shall include any amendment, modification, re-enactment or consolidation, made from time to time;
- c. reference to a gender shall include references to the female, male; and
- d. the singular includes the plural (and vice versa).



3. Words and expressions unless defined herein shall have the same meaning as have been assigned to them under the Companies Act, 2013 or the SEBI Act, SEBI Regulations and Employees' Stock Option Plan or Scheme under section 17(2)(iii) of the Income Tax

Act 1961.

Section IV: Shares subject to the Scheme

1. The maximum number of Options granted to any Eligible Employee in a financial year shall not, exceed zero point two per cent (0.20%) of the issued capital of the Bank at the time of grant of Options and the aggregate of all such Options granted to the Eligible Employees shall not exceed seven per cent (7%) of the aggregate of the number of paid up equity Shares of the Bank, from time to time, on the date(s) of grant of Option(s).
2. The Options granted but not Vested and the Options Vested but not Exercised in accordance with the Scheme or the Award Confirmation or the Vesting Confirmation shall terminate and the Shares covered by such terminated Options shall become available for future grant as per the Scheme.

Section V: Administration of the Scheme

1. The Scheme shall be administered by the Compensation Committee. A member of the Compensation Committee to whom the matter under the Scheme specifically relates shall not vote on such matter.
2. Unless otherwise expressly provided in the Scheme or law, all decisions, determinations and interpretations with respect to, connected with, arising out of or in relation to the Scheme or Award Confirmation or Vesting Confirmation shall be within the sole discretion of the Compensation Committee, may be made at any time and shall be final, conclusive and binding upon all Persons including the Bank, any Participants, shareholders and any employees having interest in the Scheme.
3. No Options shall be offered unless the disclosures, as specified in SEBI (Share Based Employee Benefits) Regulations, 2014 (as amended), are made by the Bank to the prospective Participant.
4. The Compensation Committee shall follow the guidelines specified by SEBI for administration of the Scheme from time to time, including laying down procedures for making 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, sub-division or consolidation of Shares, merger, sale of division and others.

Section VI: Powers of the Compensation Committee



1. Subject to the provisions of the Scheme and law and in addition to the other express powers and authorisations conferred by the Scheme, the Compensation Committee shall have full power and authority to:

- a. determine, from time to time, eligibility of employees to participate in the Scheme;
- b. determine the number of Shares per Option subject to the limit specified in Section IV(1);
- c. determine the minimum and maximum number of Options to be granted under the Scheme per Participant and in aggregate;
- d. grant options to the Participants as per the Scheme;
- e. prescribe the Vesting Period and Vesting Criteria;
- f. lay down procedure for making 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, subdivision or consolidation of Shares, merger, sale of division and others, taking into consideration the following:
 - i. the number and price of Options shall be adjusted in a manner such that total value of the Options remains the same after corporate action;
 - ii. for this purpose global best practices in the area including the procedures followed by the derivatives markets in India and abroad shall be considered;
 - iii. the Vesting Period and the life of the Options shall remain unaltered protect the rights of the Option holders;
- g. prescribe the conditions under which the Options Vested in the Participant may lapse in case of termination of Participant's employment by the Bank for Cause;
- h. prescribe the Exercise Period within which the Participant should Exercise the Vested Options in the event of termination or resignation of the Participant from his/ her employment by the Bank;
- i. prescribe whether the Options Vested in a Participant are exercisable at one time or at various points of time within the Exercise Period;
- j. prescribe the conditions and procedure for the grant, Vesting and Exercise of Options by Participants including Participants who are on long leave, training or otherwise indisposed;
- k. prescribe, if deemed appropriate and necessary, the procedure for cashless exercise of Options;



- l. determine the Permanent Incapacity of an Eligible Employee based on a certificate of a medical expert recognised by the Committee;
 - m. establish, amend, suspend or waive such rules and regulations as it shall deem appropriate for the proper administration of the Scheme;
 - n. interpret any matter with respect to, connected with, arising out of or in relation to the Scheme, the Award Confirmation and the Vesting Confirmation;
 - o. appoint such agents as it shall deem necessary for the proper administration of the Scheme;
 - p. determine or impose other conditions to the grant or Exercise of Options under the Scheme as it may deem appropriate;
 - q. make any other determination and take any other action that the Compensation Committee deems necessary or desirable for the administration of the Scheme; and
 - r. frame suitable policies and systems to ensure compliance / conformity with:
 - i. SEBI (Prohibition of Insider Trading) Regulations, 2015; and
 - ii. SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
 by any employee.
2. No member of the Compensation Committee shall be personally liable for any decision or action taken in good faith with respect to the Scheme.

Section VII: Eligibility for grant of Options

1. The Compensation Committee shall have the sole authority to designate any Eligible Employee as Participant.
2. In determining the Eligible Employee to receive an Option as well as in determining the number of Options to be granted to a Participant, the Compensation Committee may consider the position and responsibilities of the Eligible Employee, the nature and value to the Bank of the Eligible Employee's services and accomplishments whether direct or indirect, length of service, grade, performance, merit, present and potential contribution and conduct of the Eligible Employee and such other factors as the Compensation Committee may deem relevant.



An employee who is a Promoter or belongs to Promoter Group shall not be eligible to participate in the Scheme.

4. A director who either himself or through his Relative or through any body corporate, directly or indirectly holds more than 10% (ten per cent) of the outstanding equity Shares of the Bank shall not be eligible to participate in the Scheme.
5. An Independent Director and Non-Executive Director shall not be eligible to participate in the Scheme.

Section VIII: Vesting of Option

1. The Options granted to the Participant may Vest at one time or at various points of time as stipulated in the Award Confirmation by the Compensation Committee. Provided, however, there shall be a minimum period of one (1) year between the grant of Options and Vesting of Options. Unless earlier Vested, expired, forfeited or otherwise terminated, each Option shall expire in its entirety by such period as stipulated in the Award Confirmation or the fifth (5th) anniversary of the date of grant of Option, whichever is earlier, or such further or other period as the Compensation Committee may determine.
2. No Option or any part thereof shall Vest:
 - a. if the Participant does not fulfil Vesting Criteria; or
 - b. if the Participant's employment is terminated by the Bank for Cause; or
 - c. if the Participant voluntarily terminates employment with the Bank and the Options to the extent not Vested shall lapse/expire and be forfeited forthwith, provided that this provision shall not be applicable to the employees of the Bank who have resigned or who may resign from time to time to join companies, approved by the Board, or its committees having power to do so, that have been established or promoted or set up (whether solely or jointly with any other entity) by the Bank.
3. If the Participant's employment terminates due to death or Permanent Incapacity, whole of the Options shall immediately Vest in the Participant's Successors, or the Participant, as the case may be.
4. If the Participant's employment terminates due to retirement (including pursuant to any early / voluntary retirement scheme), the whole of the Options shall Vest, on the expiry of one (1) year from the date of grant of Options, in the Participant. Provided however that in the event of death or Permanent Incapacity of the



Participant after retirement but before Vesting of Options, the whole of the Options shall immediately Vest in the Participant's Successors or the Participant as the case may be.

Section IX: Exercise Price

1. The Compensation Committee, at its own discretion and without giving prior notice, determine the Exercise Price, being not less than the face value of Shares and in conformity with the accounting policies specified in Section XIII of this Scheme. All Options contracted prior to the change will however not be affected. This would normally be at the latest available Close Price (on the Stock Exchange on which the shares of the Bank are most traded), prior to the date of the meeting of the Committee in which the Stock Options are granted.
2. The method of payment of Exercise Price shall be, determined by the Compensation Committee (including by any one (1) or more of the following methods of payment):
 - a. cash;
 - b. cheque;
 - c. promissory note; or
 - d. cash-less exercise programme.

Section X: Exercise of Options

1. Subject to Vesting and other restrictions provided for hereunder or otherwise imposed in accordance herewith, the Participant or Participant's Successors, as the case may be, may Exercise the Options by payment of Exercise Price in full at such time as may be notified during the applicable Exercise Period by the Compensation Committee.
2. Unless earlier Exercised, expired, forfeited or otherwise terminated, each Vested Option, if not Exercised during the Exercise Period shall lapse and stand terminated and expired forthwith.
3. If the Participant's employment is terminated by the Bank for Cause, the Participant's Vested Options, to the extent then unexercised, shall thereupon cease to be exercisable and shall lapse and stand terminated and expired forthwith.
4. If the Participant voluntarily terminates employment with the Bank other than on account of death, retirement or Permanent



Incapacity, the Vested Options, to the extent then unexercised, shall be Exercised by the payment of Exercise Price in full within a period of three (3) months from the date of termination, which period shall be deemed to be the Exercise Period.

5. If the Participant's employment is terminated due to death, or Permanent Incapacity, the Vested Option, shall be Exercised by the payment of Exercise Price in full at such time as may be notified during the Exercise Period.
6. Upon receipt of the notice for Exercise of the Options (in the form prescribed) and the payment of Exercise Price in a form and manner as may be stipulated by the Compensation Committee, the Bank shall issue and allot Shares to the Participant.

SECTION XI: Non-transferability of Option

1. Options granted under this Scheme shall not be transferable to any Person.
2. No Person other than the Participant or his/her Successor to whom the Options were granted shall be entitled to the benefit arising out of such Option.
3. The Options granted to a Participant shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner.

Section XII: General Terms and Conditions

1. The notice for passing special resolution for variation of terms of the Scheme shall disclose full details of the variation, the rationale therefor, and the details of the Eligible Employees who are the beneficiaries of such variation.
2. Participation in the Scheme shall not constitute or be construed as a guarantee by the Bank of return on the Shares of the Bank. Any loss/potential loss due to fluctuations in the Market Price of the Shares or on any other account whatsoever, and the risks associated with such investments will be that of the Participant alone and not of the Bank.
3. The Scheme shall be subject to all law, rules, and regulations and to such approvals of any governmental /regulatory agencies as may be required from time to time. The allotment/grant of Shares/Options under the Scheme shall entitle the Bank to require the Eligible Employee to comply with such requirements of law as may be necessary in the opinion of Compensation Committee and the Scheme shall be subject to any other terms and conditions, as may be stipulated by the Compensation Committee in its absolute discretion.



In the event of issuance of bonus/rights Shares, recapitalisation,

stock split, reorganisation, merger, consolidation of the Bank or other similar events the number of Shares covered by each outstanding Option and the number of Shares, which have been authorised for issuance under the Scheme but as to which no Options have yet been granted or which have been returned to the Scheme upon the termination of Options as well as the Exercise Price shall be increased or decreased such that the rights of the Participant is substantially proportionate to the rights existing prior to such event and to ensure that there is no dilution or enlargement of the benefits available under the Scheme.

5. The Eligible Employee who holds any Options / Shares under the Scheme shall not divulge the details of the Scheme and his holding to any Person except with the prior permission of the Bank obtained in writing. The Eligible Employee shall enter into such agreement, as the Bank may desire from time to time to more fully and effectively implement this Scheme.
6. The Bank is entitled to and may, anytime at its discretion, finance the Participant in any manner to the extent permitted by law for the purpose of purchase of Shares or payment of any amount under the Scheme.

The grant of an Option shall not be construed as giving a Participant the right to be retained in the employment of the Bank for any period of specific duration or interfere with or otherwise restrict in any way with the rights of the Bank. Neither the Scheme nor Award Confirmation nor Vesting Confirmation shall form part of any contract of employment between the Bank and the Participant. The rights and obligations of the Participant under the terms of his office or employment with the Bank shall not be affected by his participation in the Scheme. Nothing in the Scheme or any Award Confirmation or any Vesting Confirmation shall confer or be construed as affording a Participant any additional rights as to compensation or damages in consequences of the termination of such office or employment for any reason.

7. No Participant or holder or beneficiary of any Option shall have any rights as a shareholder with respect to any Shares to be issued pursuant to the Scheme until he has become the holder of such Shares.
8. The Shares issued pursuant to any Option shall rank pari passu with all the other equity shares of the Bank for the time being issued and outstanding, *including payment of full dividend*.
9. Neither the Scheme nor the Option shall create or be construed to create a trust or a separate fund of any kind or a fiduciary relationship between the Bank and a Participant. To the extent that any Person acquires a right to receive payments from the Bank pursuant to any Option, such right shall be no greater than the right of any unsecured general creditor of the Bank.



10. No fractional Shares shall be issued or delivered pursuant to the Option, and the Compensation Committee shall determine whether cash, other securities or other property shall be paid or transferred in lieu of any fractional Shares or whether such fractional Shares or any rights thereto shall be cancelled, terminated, or otherwise eliminated.
11. No employee shall have any claim to be granted any Option, and there is no obligation on the part of the Bank for uniformity of treatment of employees or holders or beneficiaries of Options.
12. Nothing contained in the Scheme shall prevent the Bank from adopting or continuing the current or other compensation arrangements and such arrangements may be either generally applicable or applicable only in specific cases.
13. In the event of any tax liability arising on account of grant of the Options to a Participant, the liability shall be that of the Participant alone and the Bank shall have the right to cause the Shares held by the Participant sold or otherwise alienated to meet the liability on behalf of the Participant. The Bank may, in its discretion, require the Participant to pay to the Bank at the time of Exercise of any Option the amount that the Bank deems necessary to satisfy the Bank's obligation to withhold income or other taxes incurred by reason of such Exercise.
14. The Participant shall do all acts necessary and execute all such deeds and documents as may be deemed necessary by the Compensation Committee to give effect to the terms of the Scheme.
15. The Options to be Exercised by all the Eligible Employees would be at the Exercise Price.

Section XIII: Accounting Policy

1. The Bank shall conform to the accounting policies specified in the SEBI Regulations and the 'Guidance Note on Accounting for employee share-based Payments' (Guidance Note) or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein.
2. The Bank shall use 'Intrinsic Value' method to value its Options and to calculate employee compensation cost.



3. In case the Bank calculates the employee compensation cost using the Intrinsic Value of the Options, the difference between the

employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the Fair Value of the Options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on EPS of the Bank shall also be disclosed in the Directors' Report.

Section XIV: Tax Liability

1. In the event of any tax liability arising on account of the issue of the Options/conversion into Shares/sale of Shares or any other event, to the Eligible Employee the liability shall be that of the Eligible Employee alone.
2. In the event of any tax liability arising on account of the Scheme to the Bank, on the advise of the Compensation Committee, the Bank shall have the right to collect the same from the Participants. Eligible Employees are advised to consult their respective tax advisors.

Section XV: Changes in the Terms & Conditions of the Scheme

The Compensation Committee may at any time at its discretion change the terms and conditions of the Scheme as long as it is within the legal framework prescribed by SEBI Act. This change however will not be to the detriment of the Option holder or the allottee of Shares under the Scheme.

Section XVI: Contract of Employment:

1. Nothing in this Scheme shall be construed as affording such an individual any additional rights as to compensation or damages in consequence of the termination of such office or employment for any reason.
2. This Scheme shall not confer on any Person any legal or equitable rights against the Bank either directly or indirectly or give rise to any cause of action in law or equity against the Bank.
3. This Scheme is purely at the discretion of the Bank.

Section XVII: Interpretation:

Any dispute, discrepancy or disagreement which shall arise under, or as a result of, or pursuant to, or in connection with this Scheme shall be referred to the Compensation Committee and shall be determined by the Compensation Committee and any such determination / decision / interpretation by the Compensation Committee shall be final and binding on all Persons affected thereby.



Section XVIII: General Risks:

Participation in this Scheme shall not be construed as any guarantee

of return on the equity investment. Any loss due to fluctuations in the Market Price of the equity and the risks associated with the investments is that of the Participant alone.

Section XIX: Award Confirmation

The grant of Options hereunder shall be evidenced by an Award Confirmation which shall be delivered to the Participant and shall specify the number of Options granted and the terms and conditions of the grant of Options and rules applicable thereto.

Section XX: Vesting Confirmation

The Vesting of Options hereunder, shall be evidenced by a Vesting Confirmation which shall be delivered to the Participant and shall specify the number of Options Vested and the terms and conditions of the Vesting of Options and rules applicable thereto.

Section XXI: Effective and Expiry Dates

This Scheme shall be effective as of the date of its approval by the shareholders of the Bank and expire on such date as may be notified by the Board of Directors of the Bank.

Section XXII: Certificate from auditors

The board shall at each annual general meeting place before the shareholders a certificate from the auditors of the Bank that the Scheme has been implemented in accordance with SEBI Regulations and in accordance with the resolution of the Bank in the general meeting.

Section XXIII: Listing

In case new issue of Shares is made under the Scheme, the Shares so issued shall be listed immediately in any Recognized Stock Exchange, where the existing Shares are listed, in compliance with SEBI Regulations.



True Copy
For IndusInd Bank Limited

[Signature]
Haresh Gajwani
Company Secretary
M. N. A 18225

