



VST Industries Limited

22nd February, 2021

The General Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

The Manager
Listing Department
National Stock Exchange India Ltd.
"Exchange Plaza"
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051

STOCK CODE : 509966

STOCK SYMBOL : VSTIND

Dear Sir/Madam,

Sub : Submission of VST ESOP Trust Deed under Regulation 3(3) of SEBI (Share Based Employee Benefits) Regulations, 2014

Pursuant to Regulation 3(3) of SEBI (Share Based Employee Benefits) Regulations, 2014, as amended, the duly executed and registered VST ESOP Trust Deed received by the Company is submitted herewith.

Please note that the VST Employee Stock Option Plan 2020 was approved by the Board of Directors at its Meeting held on 21st December, 2020 and its shareholders by way of Postal Ballot on 5th February, 2021.

We request you to take the above on record.

Thanking you,

Yours faithfully
For VST INDUSTRIES LIMITED

PHANI K. MANGIPUDI
Company Secretary &
Head- Legal & Secretarial

Encl : As above

27/IV/2021 14/2/2021

SCANNED



తెలంగాణ తెలంగాణ TELANGANA
No. 547 Date 09/2/21 for 100
Sold to S. Sriram s/o. Lakshmi Narayana
For Whom VST ESOP Trust

AE 653148
GIRIBABU
LICENCED STAMP VENDOR
LIC No: 16-02-30/1998
REN. No. 16-02-012/2019
Sub-Bapunagar, Amberpet, Hyd-13.
Cell No. 9989259839

VST ESOP TRUST DEED

THIS deed of Trust ("Trust Deed") executed at Hyderabad this 9th day of February, 2021 between **VST Industries Limited (VST)**, a Company incorporated under the Hyderabad Companies Act IV of 1320 Fasli, now subject to Companies Act, 2013 (CIN: L29150TG1930PLC000576) having its registered office at 1-7-1063/1065, Azamabad, Hyderabad, Telangana Pin code: 500020 (hereinafter referred to as "the Settlor" or "VST" which expression unless, repugnant to the context or meaning thereof, shall include its successors and permitted assigns) of the One Part;

AND



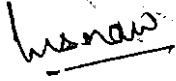




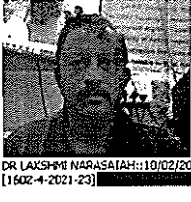
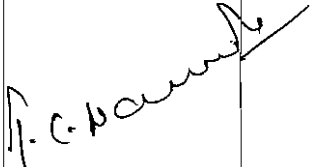


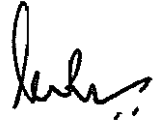
- Mr. S. SRIRAM S/o. S LAKSHMINARAYANA** (PAN: ADPPS0733C, Aadhaar: XXXX XXXX 8064), Age: 53 yrs. residing at 2-2-647/77/G5, Flat No.504, Nedunuri Mansion, Bagh Amberpet, S B I Officers Colony, Amberpet, Hyderabad – 500 013, Mobile No.9848050399
- Dr. LAKSHMI NARASIAH S/o. ANANTHA KRISHNAIAH** (PAN: AAYPN6013C, Aadhaar: XXXX XXXX 6873), Age: 56 yrs. residing at Yaganti Towers, Gem 7th Line, Brindavan Gardens, Guntur – 522 002, Andhra Pradesh, Mobile No.9866179029

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S. Sriram
L. C. Narasiah
[Signature]
[Signature]


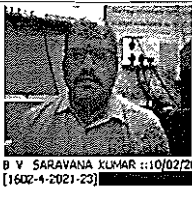


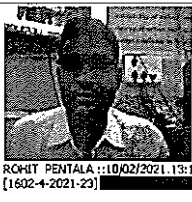

Presentation Endorsement:

Presented in the Office of the Sub Registrar, Chikkadpally along with the Photographs & Thumb Impressions as required Under Section 32-A of Registration Act, 1908 and fee of Rs. 2000/- paid between the hours of 01 and 02 on the 10th day of FEB, 2021 by Sri S Sriram

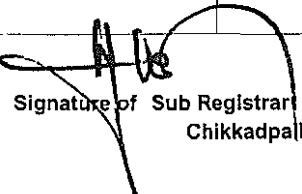
Execution admitted by (Details of all Executants/Claimants under Sec 32A):

SI No	Code	Thumb Impression	Photo	Address	Signature/Ink Thumb Impression
1	TE		 MADI KRUDHAN NAWANDHAR [1602-4-2021-23]	MADI KRUDHAN NAWANDHAR S/O. BHAGWANDAS NAWANDHAR 510 HABITAT ELITE 6-6-221/1 KAVADIGUDA, SECUNDERABAD	 25 JAN 2021
2	TE		 LALITH KUMAR BANSAL::10/02/2021 [1602-4-2021-23]	LALITH KUMAR BANSAL S/O. DURGA PRASAD BANSAL 4 RELIANCE VILAS SURVEY NO 236 TO 248, CHINNA THOKATTA NEW BOWENPALLY SEC	
3	TE		 DR LAKSHMI NARASAIHAH::10/02/2021 [1602-4-2021-23]	DR LAKSHMI NARASAIHAH S/O. ANANTHA KRISHNAIAH YAGANTI TOWERS GEM 7TH LINE, BRINDAVAN G, GUNTUR	
4	TE		 S SRIRAM::10/02/2021, 13:10 [1602-4-2021-23]	S SRIRAM S/O. S LAKSHMINARAYANA 2-2-64777/G5 FLAT NO 504 NEDUNURI MANSI, BAGH AMBERPET SBI OFFICER COLONY HYD	

Identified by Witness:

SI No	Thumb Impression	Photo	Name & Address	Signature
1		 B V SARAVANA KUMAR ::10/02/2021 [1602-4-2021-23]	B V SARAVANA KUMAR HNO 18-388 MALLIKARJUN NAGAR MALKAJGIRI HYD	
2		 ROHIT PENTALA::10/02/2021, 13:11 [1602-4-2021-23]	ROHIT PENTALA HNO 12-11-1393/3 JAMIA OSMANIA SEC BAD	

10th day of February, 2021


Signature of Sub Registrar
Chikkadpally

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Bk - 4, CS No 23/2021 & Doct No 27
Sheet 1 of 22 Sub Registrar
Chikkadpally



తెలంగాణ తెలంగాణ TELANGANA

S.No. 555 Date 09/02/21 Rs. 100

Sold to S. Giribabu S. Subramani Narayana etc

for Whom VST Esap Mart. etc

AE 653156

S. GIRIBABU

LICENCED STAMP VENDOR
LIC No: 16-02-30/1998
REN. No. 16-02-012/2019
Sub-Post Nagar, Amberpet, Hyd-1
Cell No. 9989259839

:: 2 ::

3. Mr. LALITH KUMAR BANSAL S/o. DURGA PRASAD BANSAL (PAN: ABXPB9534A, Aadhaar: XXXX XXXX 7325), Age: 41 yrs. residing at 4, Reliance Vilas Survey Number 236, 246, 247 and 248, Chinna Thokatta, New Bowenpally, Secunderabad – 500 011, Mobile No.9848085735





4. Mr. MADHUSUDHAN NAWANDHAR S/o. BHAGWANDAS NAWANDHAR (PAN: AEBPN9044C, Aadhaar: XXXX XXXX 8525), Age: 43 yrs. residing at 510, Habitat Elite, 6-6-221/1, Kavadiguda, Secunderabad – 500 080, Mobile No.9949910088

(hereinafter collectively referred to as "the Trustees" which expression unless, repugnant to the context or meaning thereof, shall include its successors) of the Other Part.

The Settlor and the Trustees shall hereinafter jointly be referred to as the "Parties" and severally as a "Party" as the context may permit.

[Handwritten signatures]

E-KYC Details as received from UIDAI:

SI No	Aadhaar Details	Address:	Photo
1	Aadhaar No: XXXXXXXX7325 Name: Lalith Kumar Bansal	S/O Durga Prasad Bansal, Tirumalagiri, Hyderabad, Telangana, 500011	
2	Aadhaar No: XXXXXXXX8525 Name: Madhusudan Nawandhar	S/O bhagwandas Nawandhar, Secunderabad, Hyderabad, Telangana, 500080	
3	Aadhaar No: XXXXXXXX8064 Name: Srigriraju Sriram	S/O Late Srigriraju Lakshminarayana, Amberpet, Hyderabad, Andhra Pradesh, 500013	
4	Aadhaar No: XXXXXXXX6873 Name: Takkella Lakshmi Narasaiah	C/O Takkella Anantha Krishnaiah, Guntur, Guntur, Andhra Pradesh, 522006	

Endorsement: Stamp Duty, Transfer Duty, Registration Fee and User Charges are collected as below in respect of this Instrument.

Description of Fee/Duty	In the Form of						
	Stamp Papers	Challan u/S 41 of IS Act	E-Challan	Cash	Stamp Duty u/S 16 of IS act	DD/BC/ Pay Order	Total
Stamp Duty	200	0	1500	0	0	0	1700
Transfer Duty	NA	0	0	0	0	0	0
Reg. Fee	NA	0	2000	0	0	0	2000
User Charges	NA	0	150	0	0	0	150
Total	200	0	3650	0	0	0	3850

Rs. 1800/- towards Stamp Duty including T.D under Section 41 of I.S. Act, 1899 and Rs. 2000/- towards Registration Fees on the chargeable value of Rs. 10000/- was paid by the party through E-Challan/BC/Pay Order No ,288PVC090221 dated ,09-FEB-21 of ,SBIN/

Online Payment Details Received from SBI e-P

(1). AMOUNT PAID: Rs. 3650/-, DATE: 09-FEB-21, BANK NAME: SBIN, BRANCH NAME: , BANK REFERENCE NO: 7004586219325,PAYMENT MODE:CASH-1001138, ATRN:7004586219325,REMITTER NAME: S SRIRAM,EXECUTANT NAME: S SRIRAM AND OTHERS,CLAIMANT NAME: VST ESOP TRUST) .

Date:

10th day of February,2021

Signature of Registering Officer
Chikkadpally**CERTIFICATE OF REGISTRATION**Registered as Document No. 27/IV/2021

of Book and assigned the Identification

No. 1602-IV-27-2021 for
drawing .Date: 15-02-2021

(S. MOHAN)

Sub Registrar

Chikkadpally, Hyd.

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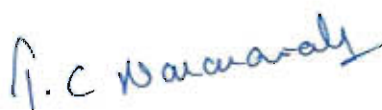
WHEREAS:

1. The Settlor is a public limited company in India and is, inter-alia, engaged in the business of manufacture & sale of cigarettes and unmanufactured tobacco. The equity shares of the Settlor are currently listed on BSE Limited and the National Stock Exchange of India Limited (collectively, the "Stock Exchanges").
2. The Settlor through its Board of Directors, has adopted the 'VST Employees Stock Option Plan 2020' (hereinafter referred to as "Plan" or "VST-ESOP 2020") which has been approved by the Settlor's shareholders through Postal Ballot on 6th February, 2021. The shareholders of the Settlor under the said Resolution have also approved the Plan to be operated by the Board/ Nomination and Remuneration Committee through a Trust.
3. The Settlor in furtherance of the above purpose of administration of the said Plan or such other Share Based Employee Benefit Schemes as may be implemented from time to time, desires to establish an irrevocable Trust under the provisions of the Indian Trusts Act, 1882 through this Trust deed, in the name of "VST ESOP Trust" (hereinafter referred to as the "Trust") for its employees in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time. The Trust shall be empowered to purchase shares from the open market and to do various acts and deeds to give effect to such Schemes as may be implemented by Settlor from time to time and carry out all related and connected acts and such acts as may be specified in this Trust deed, The Trustees shall act as the Trustees of the Trust in accordance with the terms and conditions contained in, and as is testified by, the execution of this Deed.
4. The initial corpus of the Trust is an amount of Rs. 10,000/- (Rupees Ten thousand only), which has been contributed by the Settlor.
5. The Trustees have consented to act as the first Trustees of the Trust and to accept the trusts under these presents as is testified by their being parties to and executing this deed.

NOW THIS INDENTURE WITNESSETH AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION:

Definitions: Unless otherwise defined herein, capitalized terms used in this Deed shall have the meanings given to them in the respective Schemes implemented by the Settlor from time to time. In this Deed, in addition to the terms defined in the Introduction to, recitals of and the text of this Deed, unless repugnant to the meaning or context thereof, the following capitalized words and terms shall have the meanings set forth below:



- a. "Applicable Laws" shall mean Indian Trusts Act, 1882, Companies Act, 2013, SEBI Regulations or such other acts, laws, rules, regulations as applicable from time to time.
- b. "Awards" shall mean Stock Options and any other benefits granted to Employees under the Schemes implemented by the Settlor from time to time under SEBI Regulations.
- c. "Beneficiary" shall mean an Employee admitted to the benefits of VST-ESOP 2020 or any Schemes implemented by the Settlor from time to time and includes, where the context so requires, heirs, executors and administrators of a deceased Employee.

Provided that the expression "Beneficiary" shall not include any employee if the provision/operation of any applicable law including in particular, the Companies Act, 2013 and SEBI Regulations, as amended from time to time, prohibits such person from being eligible to be recognized as a beneficiary.

- d. "Eligible Employee" shall mean the employees covered under or admitted or qualified to the benefits of VST-ESOP 2020 or any Schemes implemented by the Settlor from time to time, in accordance with the Applicable Laws.
- e. "Scheme" or "Schemes" shall mean the VST-ESOP 2020 or any other Share Based Employee Benefits Schemes / Plan as may be implemented by the Settlor from time to time.
- f. "Settlor" shall mean VST Industries Limited and shall include its successors and assigns.
- g. "SEBI Regulations" means Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time.
- h. "Trust" means VST ESOP Trust, a trust established under the provisions of Indian Trusts Act, 1882 including any statutory modification or re-enactment thereof, for implementation of the Plan.
- i. "Trustees" shall mean the Party of the Other Part and include the Trustees for the time being and from time to time nominated/appointed under these presents and the survivor or survivors of them.



Interpretation:

- a. Unless the context otherwise requires, words importing the singular include the plural and vice versa, and pronouns importing a gender include each of the masculine, feminine and neuter genders.
- b. The terms 'hereof, "herein", "hereby", "hereto" and derivative or similar words refer to this entire Deed or specified Clauses of this Deed, as the case maybe.
- c. The Recitals of this Deed form an integral part of this Deed.
- d. The headings in this Deed are inserted for convenience only and shall not affect the construction of this Deed.
- e. Reference to the word "person" shall mean and include any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, trust, union, association, government or any agency or political subdivision thereof (as maybe contextually applicable) or any other entity that may be treated as a person under Applicable law.
- f. Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment (whether before or after the date of this Deed) for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

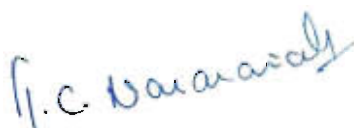
2. NAME AND OFFICE OF THE TRUST:

The Trust shall be named as "VST ESOP TRUST" or such other name as the Trustees may deem appropriate from time to time. The Principal Office of the said Trust shall be at 1-7-1063/1065, Azamabad, Hyderabad, Telangana - 500020, or at such other place in India as the Trustees may from time to time decide with the consent of the Settlor.

3. DETAILS OF SCHEME ADMINISTERED BY THE TRUST:

The Trust shall administer VST-ESOP 2020 or such other Share Based Employee Benefits Schemes / Plan as may be implemented by the Settlor from time to time.









4. CONSTITUTION AND NATURE OF THE TRUST:

- a. The number of Trustees shall be 4 (four) to be appointed by the Board. The expression "Board" shall mean the Board of Directors for time being of the Company which includes any Committee(s) authorized by the Board of Directors in this behalf;
- b. Any Trustee may resign by giving a notice in writing of at-least 1 (one) month to the Trustees. The Trustees may, at their discretion accept a resignation at a shorter notice.
- c. If the office of the Trustee is vacant either by death, insanity, insolvency, resignation, refusal to act as Trustee, removal by the Board/Nomination and Remuneration Committee, or neglect to act as a Trustee or on his/her becoming incapable or unfit to act as such, the vacancy shall be filled by person(s) nominated by the Board/Nomination and Remuneration Committee.
- d. A person shall not be appointed as a Trustee, if he/she:
 - (i) is a Director, Key Managerial Personnel or Promoter of the Settlor or its holding, subsidiary or associate company or any Relative of such director, Key Managerial Personnel or Promoter; or
 - (ii) beneficially holds 10 (ten) percent or more of the paid-up share capital of the Settlor.
Provided where individuals are appointed as Trustees, there shall be a minimum of two such Trustees, and in case a corporate entity is appointed as a Trustee, then it may be the sole Trustee.
- e. Meetings of the Trustees:
 - i. The Trustees may convene a meeting of the Trustees at any convenient place in India or such other place as they may deem fit and at convenient intervals hold meetings from time to time as occasion shall require, for the transaction of the business of the Trust.
 - ii. Any one of the Trustees may convene a meeting of the Trustees for the transaction of any particular business and any business may be disposed of by a meeting held through a video conference/other audio visual means or through a circular resolution instead of at a meeting, unless majority of the Trustees think otherwise.









- iii. All decisions relating to the Trust shall be taken by a majority vote. The Trustees may authorize any other person as it may deem fit to carry out generally or specifically any act or deed in connection with any matter concerning the affairs of the Trust.
- iv. At least 2 (two) clear days' notice shall be given to the other Trustee or Trustees as to the place, hour and day of the meeting and of the nature of the business to be transacted thereat or such shorter notice in case all the Trustees agree for the same.
- v. The original minutes of the proceedings of every meeting shall be deposited at the office of the Trustees who shall provide for safe custody thereof
- f. Without prejudice to any other provisions of law, a Trustee of the said Trust shall stand discharged from his office of Trustee on his tendering his resignation of his office in writing or on the happening of any of the events mentioned in clause 4(c) of this Trust Deed.
- g. If the Settlor, ceases to exist on account of winding up or dissolution other than upon amalgamation, in such an event the individual Trustees of the Trust shall step into the place of the Settlor in these presents and such individual Trustees shall jointly exercise or fulfill as the case may be, the rights and obligations laid out on the Settlor in these presents.

5. OBJECTS OF THE TRUST:

The objects of the Trust shall be as follows:

- a. Implement the Schemes as may be implemented by the Settlor from time to time pursuant to the SEBI Regulations / Applicable Laws and carry out all acts and deeds connected or incidental thereto;
- b. To acquire equity shares of the Settlor by purchasing through the stock exchanges, for the purposes of this Trust/ benefit of the Eligible Employees;
- c. Receive equity shares of the Settlor by way of gift or settlement and use them for the purposes of this Trust;
- d. Transfer equity shares of the Settlor to the employees pursuant to the exercise of Awards granted to them under Schemes;

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A.C. Narayanan

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- e. Dispose-off, as and when required, equity shares of the Settlor held by the Trust in any manner subject to the terms of Schemes and SEBI Regulations;
- f. To repay the loans and other forms of financial assistance to the Settlor from the funds available from exercise of Awards by employees, dividends or any other income of the Trust;
- g. Carry out any act or deed for the benefit of any of the Eligible Employees under the Schemes;
- h. Borrow monies, on such terms and conditions as the Trustees may deem fit for the purchase of equity shares of the Settlor for the purpose of the Trust;
- i. Purchase such assets as the Trustees deem fit to help in giving effect to the objects of this trust;
- j. Deposit in bank accounts, fixed deposits or invest in any manner as the Trustees deem appropriate any funds available of the Trust; and
- k. Perform such other acts, deeds or things, either independently or in conjunction with other matters or objects, which in the opinion of the Trustees is incidental to the implementation of the Schemes or the attainment of any one or more of the objects of the Trust.

6. TRUST PROPERTY AND SOURCE OF FUNDS:

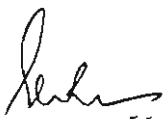
- a. The Trust shall hold the shares of the Settlor for and on behalf of its employees and transfer such number of shares periodically to the employees of Settlor upon their exercising the Awards granted to them in accordance with their eligibility under the Schemes.
- b. The Trust may be funded by the Settlor by way of interest free financial assistance or provision of money in any form as may be decided by the Settlor, or in any other manner or by way of loans availed by the Trust from other lenders or in any combination thereof, in accordance with Applicable Laws.

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A. C. Narasimha

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- c. The Trustees shall henceforth hold and stand possessed of all the sum and shares and rights, bonus, and other benefits etc. in respect of the unexercised Awards on behalf of the Beneficiaries, hereinafter for brevity's sake collectively referred to as "the **Trust Fund**", which expression shall unless repugnant to the subject or context also include any other property, assets and investments of any kind, invested or varied from time to time and those which may be acquired by the Trustees or come to their hands by virtue of these presents or by operation of law or otherwise, including any bonus or rights issue or split of any shares or dividend or any other benefits or rights of the Settlor. The Trust Fund including all donations, gifts, bequests and legacies either in cash or other movable or immovable properties or otherwise received by the Trustees from time to time for the purpose of these presents and income including capital gains arising therefrom or related thereto, shall be used exclusively for the benefit of the Beneficiaries of the Schemes and/or for the purpose of repaying the amounts obtained/borrowed by the Trust.
- d. The Trustees may at any time invite and receive or without such invitation receive any voluntary contributions or donations or loans, advances or deposits, whether refundable or not, from the Settlor and other persons for all or any of the objects and purposes mentioned above and for all or any class of beneficiaries, provided, that they are not inconsistent with any of the objects of the said Trust. Any such donation, loan, advance or deposit may be accepted either with or without any special condition as may be agreed upon between the donor and/or lender and the Trustees, provided that such conditions are not inconsistent with the intents and purposes of these presents. All such contributions shall be treated as forming part of the Trust Fund being the subject matter of these presents and be applied accordingly, and it shall always be for the Trustees in their absolute discretion to decide whether they should invite or accept any such donation, grant, loan, advance or deposit as aforesaid and they shall be at liberty to refuse any donation, loan, advance or deposit without giving any reason for such refusal.



J.C. Narasimhaiah

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- e. Investment of Trust Fund: Subject to any recommendations that the Nomination and Remuneration Committee may tender in accordance with Applicable Laws, the Trustees shall be authorised to invest the Trust's fund (including such portion of the Trust's fund which consists of money and which cannot be applied immediately or at an early date towards the objects of the Trust) in any of the investments made on the recommendations of the investment advisor to the Trustee(s) on its request to utilize the surplus funds of the Trust for making investments in shares, mutual funds, placing fixed deposits, etc., subject to the Applicable Laws and in accordance with this Deed.
- f. The Trustees shall hold the Trust Fund and any further sums, which may be received, including all accretions, dividends and capital gains arising therefrom, in trust. They would act only on the advice of the Nomination and Remuneration Committee in relation to all matters relating to the Schemes. The Trustees shall be entitled to pay from out of or apply the Trust Fund in such manner as the Trustees may think fit for the benefit of all the Beneficiaries. However, the Trustees may postpone the application of the whole or any part of the same including income received at any particular time and apply the same at a later time and in accordance with the Schemes and as communicated by the Nomination and Remuneration Committee.

7. POWERS OF THE TRUSTEES:

Without detracting in any way from the generality of the foregoing purposes and notwithstanding anything in the Indian Trusts Act, 1882, the Trustees acting on behalf of the Trust shall have the powers and be entitled to do the following, including but not limited to:

- a. To manage and administer all the affairs of the Trust in accordance with the Deed and it shall act independently and not as representatives of the Settlor or its affiliates. The Trustee(s) shall ensure that all acts, deeds and things are done for the attainment of the objects of the Trust and are in compliance with the Applicable Laws, the Deed and the respective Schemes and secure the best interests of the Beneficiaries.
- b. To administer and implement the Schemes as may be implemented by the Settlor from time to time.

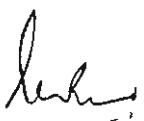


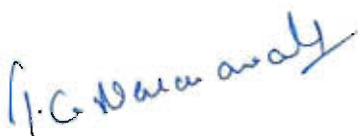
A.C. Narasimha



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- c. To purchase and / or acquire by way of secondary market purchase equity shares of the Settlor including out of funds borrowed from the Settlor, of such amount at such time or times as may be necessary for the purpose of meeting the requirements under the Schemes upon exercise of the Awards by the Employees. Any purchase of Shares from the secondary market for the purposes of the Schemes shall be undertaken in accordance with Applicable Laws, SEBI's Takeover Code and SEBI's Insider Trading regulations.
- d. To invest the monies of the Trust in such manner as the Trustees deem fit in their absolute discretion subject to Applicable Laws to fulfil the objects of the Trust; and it is hereby expressly provided that it shall not be obligatory upon them to invest the same only in the securities referred to in Section 20 of the Indian Trusts Act, 1882;
- e. To act on the advice of the Nomination and Remuneration Committee in relation to all matters relating to the Schemes, including but not limited to transfer of equity shares of the Settlor held by it for the purpose of Schemes to the Employees upon exercise of the Awards in accordance with the Schemes and paying the Exercise Price either in cash or through a cashless exercise, if provided.
- f. To enter into agreements, contracts and to cancel or vary them for meeting the objects of the Trust;
- g. To engage the services of any person or persons upon such remuneration and terms as the Trustees may deem fit and to take disciplinary action against them and also to terminate their services;
- h. To incur all costs and expenses considered by the Trustees to be necessary for the due and efficient management of the affairs and properties of the Trust;
- i. To institute, prosecute and defend all actions and proceedings before the Government, courts, tribunal, revenue, municipal and local authorities and taxation authorities, including suits, appeals, reviews, revisions, executions and the like and to represent the Trust before them;
- j. To ensure that appropriate approval from the shareholders wherever required has been obtained by the Settlor in order to enable the Trust to implement the Schemes and undertake Secondary Acquisition for the purposes of the Schemes.

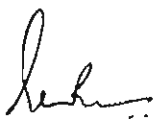








- k. To implement and/or administer one or more schemes of the Settlor or its affiliates or subsidiaries or associate company for the benefit of the beneficiaries in terms thereof consistent with the objectives of such scheme(s), and to undertake all other activities and measures as may be required for the purpose, provided that acceptance by the Trust of implementation and/or administration in respect of any schemes, other than Schemes of the Settlor, shall be subject to prior approval (and subject to terms if any) of the Trustees and the Settlor.
- l. Delegating any power that they can lawfully delegate to any person and to execute such power of attorney as they may think fit for the purpose.
- m. Framing rules for administration of the scheme(s) administered by the Trust, in compliance with the scheme documents, objects of the Trust and the SEBI Regulations and other Applicable Laws or administer the schemes in accordance with the guidelines set out in the scheme documents or as may be specified by the board of directors/ Nomination and Remuneration Committee of the Settlor, in accordance with Applicable Laws.
- n. To do all such acts, deeds and things either alone or in conjunction with others as are incidental or conducive or as may be necessary to be done by the Trust under the Scheme, including but not limited to such action as may be carried out upon the advice of the Nomination and Remuneration Committee.
- o. The Trustees shall be entitled from time to time to open, operate and maintain a bank account or accounts and a demat account in the name of the said Trust or in the name of the Trustee/(s) on behalf of the Trust at such Bank or Banks or Depository Participants as applicable and as they may from time to time decide, and may at any time pay or cause to be paid or withdraw any moneys forming part of the Trust Fund or the income thereof to the credit of any such account or accounts and either by way of fixed deposit or current account or safe custody account or any other account whatsoever and in case of a demat account for the purpose of purchasing/acquiring/holding shares of the Settlor by ensuring proper signatory protocols .
- p. To borrow or raise money in the Trust Fund for meeting the objects of the Trust and repay the same from time to time on such terms and conditions as the Trustees may think fit.





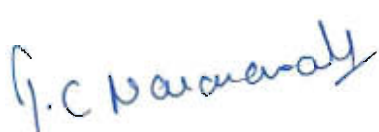




8. DUTIES AND OBLIGATIONS OF THE TRUSTEES:

- a. The Trustee(s) shall do all such acts and things as are conducive and helpful to the advancement and fulfilment of the above mentioned objects of the Trust;
- b. The Trustee(s) shall always act in the best interest of the Beneficiaries and shall not act in any manner or include any provision in this Deed that would be detrimental to the interests of the Beneficiaries, except as required under the Applicable Law;
- c. The Trustee shall ensure that the Trust will never act in a manner, which is illegal and unlawful in nature and which is opposed to public policy and contrary to the Applicable Laws.
- d. The Trustees of the Trust shall not vote in respect of the shares held by such Trust, so as to avoid any misuse arising out of exercising such voting rights;
- e. The Trustee(s) shall ensure that the Trust shall not deal in derivatives, and shall undertake only delivery-based transactions for the purposes of Secondary Acquisition as permitted by the SEBI Regulations;
- f. The un-appropriated inventory of shares which are not backed by grants, acquired through Secondary Acquisition by the Trust under the Schemes, shall be appropriated within a reasonable period which shall not extend beyond the end of the subsequent financial year.
- g. The Trustee(s) shall ensure that the Trust shall hold the shares acquired through Secondary Acquisition for a minimum period of 6 (six) months except where they are required to be transferred in the circumstances enumerated under the SEBI Regulations;
- h. The Trust shall be permitted to undertake off-market transfer of Shares of the Settlor only under the following circumstances:
 - i. Transfer to the Beneficiaries pursuant to Schemes;
 - ii. when participating in open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, or when participating in buy-back, delisting or any other exit offered by the Settlor generally to its shareholders;










- i. The Trustee(s) shall ensure that the trust shall not become a mechanism for trading in shares and hence shall not sell the shares in secondary market except under the following circumstances:
 - i. cashless exercise of options under the Schemes, if provided;
 - ii. participation in buy-back or open offers or delisting offers or any other exit offered by the Settlor generally to its shareholders, if required;
 - iii. for repaying the loan, if the un-appropriated inventory of shares held by the Trust is not appropriated within the prescribed timelines;
 - iv. Winding up of Schemes;
 - v. based on approval granted by SEBI for the reasons recorded in writing in respect of the Schemes,
 - vi. such other circumstances as prescribed under SEBI Regulations.
- j. Maintaining proper books of accounts of Trust, and maintaining records and documents for each scheme administered by the Trust, so as to explain its transactions and to disclose at any point of time the financial position of each scheme and in particular give a true and fair view of the state of affairs of each scheme, as required under Applicable Laws;
- k. The Trustee(s) shall pay from the Trust Fund: (a) all taxes, duties, stamp duty and any other statutory charges or levies (and any interest or penalty chargeable thereon) that may be payable in any jurisdiction by or on behalf of the Trust; and (b) pay expenses for the objects of the Trust, including without limitation, fees payable to auditors and other advisors and agents appointed by the Trustee(s) pursuant to the provisions of this Deed;
- l. The Trustee(s) shall be responsible for ensuring compliance with Applicable Laws, rules and regulations including but not limited to tax laws, tax deductions and tax filings of the Trust and shall be empowered to make representations, file documents and do all other acts which may be required in order to comply with Applicable Laws.
- m. The Trustee(s) shall make disclosures as required under the Applicable Laws, rules and regulations including but not limited to the Securities and Exchange Board of India (Substantial Acquisition and Takeover) Regulations, 2011 as amended from time to time and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

 A.C. Narasimhan



Manoj

- n. Provide a certificate of compliance to the Nomination and Remuneration Committee or the Board relating to the activities of the Trust as may be agreed from time to time.

9. LIABILITIES OF A TRUSTEE:

The liabilities of the Trustees shall include the following:

- a. The Trustee(s) shall fulfill the purpose of the Trust and carry out the directions contained in this Deed.
- b. The Trustee(s) shall deal with the Trust Fund as carefully as a man of ordinary prudence would deal with such property if it were his own.
- c. The Trustee(s) shall accept all documents, notices, forms and instructions only from the authorized representatives of the Settlor or the Nomination and Remuneration Committee. The Trustee(s) shall not be responsible for the authenticity of any signature, stamp or seal of the Settlor or the Nomination and Remuneration Committee which is affixed to any endorsement on any certificate or to any transfer or form of application endorsement or other document affecting the title to or transmission of interests in the Trust or be in any way liable for any forged or unauthorized signature, stamp or any seal affixed to such endorsement transfer or other document or for acting upon or giving effect to any such forged or unauthorized signature or seal.
- d. If the Trustee(s) is required by any applicable law to provide information regarding the Trust Fund and/or the Beneficiaries and the Trustee(s) comply with such request in good faith, whether or not it was in fact enforceable, the Trustee(s) shall not be liable to the Beneficiaries or any of them or to any other party as a result of such compliance or in connection with such compliance.
- e. It is hereby expressly understood that in the professed execution of the Trust and powers hereof, no Trustee shall be liable for any loss to the Trust arising by reason of any imprudent investments made in good faith or for the negligence or fraud of any agent employed by him or them or for any mistake or omission made in good faith by the Trustees or any other matter or thing except willful and deliberate fraud, gross negligence, misconduct or material breach of the terms and conditions of this Trust Deed on the part of the Trustee/Trustees who is/are sought to be made liable.

Handwritten signatures:
1. *[Signature]*
2. *[Signature]*
3. *[Signature]*

- f. The Trustee/Trustees shall further and at all-time be kept harmless, and indemnified out of the assets of the Trust against all actions, costs, liabilities and claims arising in respect of anything done by them in the course of their duties as Trustees save those that arise out of willful default or breach of trust or omission or gross negligence of the Trustee(s).
- g. Nothing herein contained shall exempt or indemnify the Trustee(s) for expense incurred or losses suffered which arise out of a breach of trust or out of its (or its affiliates or its permitted assignee's or its director's or officer's) actual fraud, willful misconduct, dishonesty and gross negligence of the terms and conditions of this Deed, the Scheme or the Applicable Laws, and it shall solely be responsible for such expenses and losses.

10. RIGHTS AND OBLIGATIONS OF THE BENEFICIARIES:

The rights and obligations of the Beneficiaries shall include the following:

- a. To receive shares of the Settlor upon exercise of the Awards granted in accordance with the terms of the Schemes and on such terms as determined by Nomination and Remuneration Committee.
- b. To receive cash upon cashless exercise of the Awards as in accordance with the terms of the Schemes and on such terms as determined by Nomination and Remuneration Committee.
- c. None of the Beneficiaries shall have the right to receive any dividend, or to vote, or to enjoy any other benefits available to a shareholder of the Settlor in respect of any Awards granted to such Beneficiary, till shares of the Settlor are transferred upon exercise of Awards issued to such Beneficiary,
- d. Subject to Applicable Laws, the Trust Fund shall not be liable for any debt of any Beneficiary, or be subject to any judgment rendered against any Beneficiary, or to the process of any court in aid of execution of any judgment so rendered.
- e. Subject to Applicable Laws, the beneficial interest of any of the Beneficiaries in the Trust shall not be encumbered, sold, transferred, or subjected to any third party rights by the Beneficiaries, whether directly or indirectly, to any extent and in any manner whatsoever. In particular, the Beneficiaries shall not have the right to transfer, pledge, hypothecate, mortgage or otherwise alienate any Awards granted to them under Schemes.

Handwritten signatures:
1. C. Naraswamy
b.p.
Kumar

- f. In addition to the above, the Trustees shall have the power to prescribe any other rights, and obligations of the Beneficiaries, in accordance with Applicable Laws, and may also seek the recommendations of the Nomination and Remuneration Committee of the Settlor in this regard.

11. MISCELLANEOUS:

- a. The dividend income of those shares which are not appropriated or earmarked for the Beneficiary shall be applied by the Trustees in the manner they deem fit to attain the objectives of the Trust. The Trustees are not entitled for any remuneration. But they shall however be entitled to receive out of pocket expenses incurred by them in the course of discharging the functions of the Trust. Further, the income and funds of the Trust will be solely utilized towards the objects and no portion of it will be utilized for payment to Trustees by way of profits, interest, and dividend or otherwise.
- b. The Trust shall function in accordance with and to give proper effect to the Schemes and this Trust Deed shall be supplemental to the Schemes for all purposes and functions. In the event of any discrepancy in the Schemes and the Trust Deed, the provisions of the Schemes shall prevail and the Trustees shall take immediate steps to amend the provisions of this Trust Deed as to bring them in conformity with the Schemes.
- c. In case of SEBI specifying the minimum provisions to be included in the Trust Deed under which the Trust is formed, this Trust Deed shall be amended to the extent required to implement such provisions if not already incorporated, and such Trust Deed and any modifications thereto may be filed, if required, with the stock exchange in India where the shares of the Settlor are listed. Till the time this Deed is so amended to include such mandatory provisions, such provisions shall be carried out by the Trust in the manner specified by SEBI.
- d. The said Trust shall be and remain irrevocable for all time and the Settlor does hereby also release, relinquish, disclaim, surrender and determine all their rights, title, interest or powers in the said Trust Fund, except to the extent of the amount due to the Settlor by the Trust on the monies /loans obtained by the Trust from the Settlor for the purpose of the Schemes.



 N.C. Parawaty





12. Extinguishment/ Dissolution of the Trust:

- a. The said Trust shall be extinguished under the following circumstances:
 - i. the Trust Property has been distributed amongst the Beneficiaries in accordance with the Scheme
 - ii. if the fulfillment of its purpose becomes impossible by virtue of any Applicable Law or destruction of Trust Fund or otherwise;
 - iii. the Settlor is wound up (or otherwise ceases to exist), save and except by virtue of a duly sanctioned scheme of amalgamation or arrangement involving the Settlor, or corporate reorganization of the Settlor;
 - iv. the Schemes have been terminated in accordance with the provisions thereof and no Awards remain to be exercised as determined by the Nomination and Remuneration Committee.
 - v. In the opinion of the Trustee or Trustees it is in the best interest of the Settlor and the Beneficiaries to dissolve the trust, subject to a unanimous resolution passed at a duly conveyed meeting.

- b. On dissolution of the Trust, the Trustees shall in consultation with the Nomination and Remuneration Committee have the power to make proper arrangements for matters, relating to or arising from the dissolution of the Trust and to distribute the Trust Fund, if any remaining after fulfillment of any outstanding liabilities of the Trust, including taxation, outstanding loans and meeting all the expenses, to the Beneficiaries on such terms and conditions as the Trustee(s) deem fit, with the recommendations of the Nomination and Remuneration Committee and subject to Applicable Laws.

13. Amendments to the Trust Deed

The Trustee(s) and the Settlor shall mutually at any time or from time to time, amend in whole or in part any or all of the provisions of this Trust Deed, in writing, provided that no such amendment:

- (i) shall affect any vested interest in the Trust Fund or income thereof subsisting prior to such alteration or addition; or
- (ii) shall have the effect of prejudicing the status of the Trust as a trust constituted under the Applicable Laws; or
- (iii) shall be in violation of the objects of the Trust.

Handwritten signatures in blue ink at the bottom of the page. From left to right: a signature that appears to be 'A.C. Narasimhan', followed by 'A.C. Narasimhan' written in a larger, more legible hand, and two other signatures that are less distinct.

14. Governing Law and Jurisdiction

- a. This Trust Deed and all matters arising in connection thereof shall be governed by the laws of India and the Courts at Hyderabad shall have the exclusive jurisdiction over matters or Issues arising out of this Trust Deed.
- b. For matters not provided for in these presents, the provisions of the Indian Trust Act, 1882 and the Income Tax Act, 1961 and rules made there under, as amended from time to time, will apply accordingly, subject to the same not being inconsistent with the Schemes or the Applicable Law governing the Schemes.

15. Assignment

Neither Party shall be entitled to assign the benefit of this Trust Deed or any cause of action in connection therewith or all or part of its rights or transfer all or part of its obligations under this Trust Deed.

16. Counterparts

This Trust Deed may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed to be an original but all of which together shall constitute one and the same instrument.

17. Costs and Expenses

All costs and expenses incurred in and about the preparation and execution of this Trust Deed and any other document executed in connection with this Trust Deed, including all stamp duty payable in relation to this Trust Deed and any other document executed in connection with this Trust Deed shall be borne by the Settlor.

18. AS ON THE DATE THERE ARE NO PROPERTIES IN THE NAME OF TRUST THE COMMON SEAL of VST Industries Limited, the above named Settlor is hereunto affixed pursuant to a Resolution of its Board passed in that behalf on the 21st day of December, 2020 for constitution of the VST ESOP Trust in that behalf in the presence of the undermentioned Director and the Company Secretary of the Settlor:

1. Mr. Aditya Deb Gooptu – Managing Director & CEO
2. Mr. Phani Mangipudi - Company Secretary

Adityadeb Gooptu

Phani Mangipudi

[Signature]

A.C. Narayanan

[Signature]

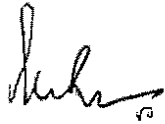
[Signature]

IN WITNESS WHEREOF the parties hereto have executed these presents on 9th day of February, 2021 at Hyderabad.

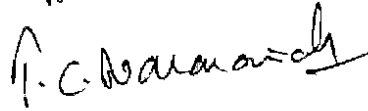
SIGNED, SEALED AND DELIVERED by the below named Trustees

Trustees:

1. Mr. S. Sriram




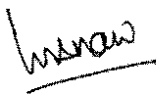
2. Dr. Lakshmi Narasaiah



3. Mr. Lalith Kumar Bansal

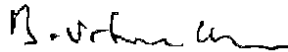


4. Mr. Madhusudhan Nawandhar



Witness:

1.



N. V. S. ANANDARAMA KUMAR

S/o. N. GOPIALAKHMI KRISHNAIAH
Home (B-3) St, Malakunte Nagar
Mysore 570047.

2.

