



HTML EMPLOYEE STOCK OPTION SCHEME – 2009 (“HTML ESOS - 2009”)
(Aligned HTML ESOS-2009 approved at the 11th Annual General Meeting held on 27-08-2013)

1. KEY DEFINITIONS

“**Applicable Laws**” shall mean all applicable laws, bye-laws, statutes, rules, regulations, orders, ordinances, notifications, protocols, treaties, codes, guidelines, policies, notices, directions, writs, injunctions, judgments, awards, decrees or official directive of any court of competent authority or of any competent governmental authority or person acting under the authority of any court of competent authority or of any competent governmental authority of the Republic of India, as amended and modified from time to time, and more specifically includes the Companies Act, 1956, regulations, rules, guidelines issued by the Securities and Exchange Board of India and Reserve Bank of India.

“**Board of Directors**” shall mean the Board of Directors of the Company or a duly constituted Committee thereof.

“**Cause**” shall mean negligence, fraud, professional misconduct, breach of trust, moral turpitude, committing or abetting any illegal activity, violating any Company policy or terms of employment or any other applicable code of conduct, absence from office for a substantial period of time without any valid reason or authority, or any other actions or circumstances of similar nature as may be decided by the Compensation Committee in its absolute discretion.

“**Companies Act, 1956**” shall mean the Companies Act, 1956 (1 of 1956) or any re-enactment thereof.

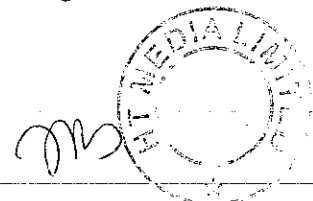
“**Company**” shall mean HT Media Limited, a Company incorporated under the Companies Act, 1956, and having its registered office at Hindustan Times House, 18-20, Kasturba Gandhi Marg, New Delhi – 110 001.

“**Compensation Committee**” shall mean the Remuneration Committee or such other Committee as may be constituted by the Board of Directors of the Company for the purpose of regulating and implementing ESOS 2009.

“**ESOS - 2009**” or “**HTML ESOS - 2009**” shall mean this “HTML Employee Stock Option Scheme – 2009” under which the Company will grant Eligible Employees the benefit or right to purchase at a future date, the securities offered by the Employee Welfare Trust at a pre-determined price.

“**Eligible Employees**” shall refer to the Employees selected by the Compensation Committee for the grant of Option in terms of the ESOS - 2009.

“**Employees**” shall mean (a) the permanent employees of the Company, Directors of the Company whether a Whole Time Director or not but do not include (i) Directors of the Company who, either by himself/herself or through any relative or body corporate, hold more than 10% of the outstanding Equity Share Capital of the Company, (ii) employees who are Promoters of the Company or belong to the Promoter Group; and (b) the permanent employees of the present and future Indian/Foreign subsidiary companies, Directors of present and future Indian/Foreign subsidiary companies, whether a Whole-time Director or not but do not include; (i) Directors of the subsidiary companies who, either by himself/herself or through any relative or body corporate, hold more than 10% of the outstanding Equity Share Capital of the Company; and (ii) employees of the subsidiary companies who are Promoters of the Company or belong to the Promoter Group of the Company.



“Employee Welfare Trust” shall mean the HT Media Employee Welfare Trust settled by the Company on 25th October, 2005 by a registered Deed of Private Trust and as amended from time to time.

“Equity Shares” shall mean the Equity Shares of the Company with a face value of Rs. 2/- each.

“Exercise” or **“Exercised”** shall mean the making of an application by the Eligible Employee for the transfer of Equity Shares against the Options vested in him in pursuance of the ESOS - 2009.

“Exercise Period” means the time period immediately after the scheduled Vesting Date of the last tranche of the Options, within which an Eligible Employee must Exercise his right to receive Equity Shares against the Options Vested in him pursuant to the ESOS- 2009.

“Exercise Price” means the price payable by an Eligible Employee for the Exercise of the Options.

“Options” shall mean the Option granted to an Eligible Employee which gives the Eligible Employee the right to purchase one Equity Share per Option held, at the Exercise Price offered to such Eligible Employee by the Compensation Committee under this ESOS - 2009, subject to the terms and conditions contained herein (each Option representing one share).

“SEBI” shall mean the Securities and Exchange Board of India.

“SEBI Guidelines” shall mean the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended from time to time.

“Subsidiary companies” shall mean all existing and future Indian/Foreign subsidiary company(ies) of the Company as per Section 4 of the Companies Act, 1956.

“Vest”, “Vesting”, “Vested” means, as the context may require, the process by which the Eligible Employee is given the right to apply for Equity Shares of the Company against the Option granted to him in pursuance of ESOS - 2009.

“Vesting Date” shall mean the date(s) of vesting of the Options in accordance with Clause 8.1 herein below and the letter of grant of Options issued to each Eligible Employee.

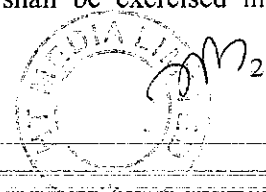
Terms and expressions, whether capitalized or not, and not defined herein shall have the meaning assigned to them under the SEBI Guidelines and Companies Act, 1956.

2. INTRODUCTION

2.1 This part sets out the salient features of the ESOS - 2009, the duties, benefits and responsibilities of the Company and the Employees and the procedure to be followed thereon.

2.2 The ESOS – 2009 is based on and is compliant with the SEBI Guidelines.

2.3 ESOS – 2009 has been aligned in accordance with SEBI Guidelines read with SEBI circular dated January 17, 2013 and circular dated May 13, 2013, whereby with the commencement of the Effective Date, the ESOS-2009 shall be operated only with the shares already acquired from the secondary market until January 16, 2013 (with no further acquisition from the secondary market unless as may be permitted by SEBI at a future date) and/or with fresh issue of shares by the Company and such other modes as may be prescribed by SEBI from time to time. After such alignment and upon its approval by the shareholders at the general meeting, all outstanding options to be granted, vested or unvested with the Eligible Employees till the Effective Date and options granted thereafter shall be exercised in accordance with this aligned ESOS -2009 only.



3. **EFFECTIVE DATE**

ESOS 2009, as aligned herein, shall become effective from the date of its approval from the shareholders at their general meeting and shall continue to be in force until the earlier of (i) its termination; or (ii) the date on which all of the Options available for issuance under the ESOP 2009 have been issued and Exercised.

4. **OBJECTIVES OF THE ESOS - 2009**

4.1 The ESOS – 2009 is intended to reward Eligible Employees for their contribution and service to the Company and its Subsidiary companies, as an incentive to attract and retain the best available talent, encourage ownership of the shares of the Company by the Eligible Employees and enable Eligible Employees to contribute and share in the growth of the Company and its subsidiary companies on an on-going basis.

5. **KEY FEATURES**

5.1 The ESOS – 2009 shall be applicable to the Eligible Employees.

5.2 The Compensation Committee shall be responsible for the administration and superintendence of the ESOS - 2009.

5.3 The Employee Welfare Trust shall allocate/transfer the Equity Shares to Eligible Employees in the manner specified in the Trust Deed of Employee Welfare Trust (Trust Deed). The trustee(s) of the Employee Welfare Trust shall administer the transfer of Equity Shares vested in Eligible Employees as per the conditions stipulated in the Trust Deed and the ESOS - 2009.

5.4 Each Option shall represent one Equity Share and the total number of Equity Shares transferred upon Exercise of Options shall not exceed such number of Equity Shares as do not exceed 1% of the issued Equity Share Capital of the Company as on the date of initial approval of ESOS 2009 by the Shareholders of the Company i.e. September 30, 2009.

6. **ROLE OF THE COMPENSATION COMMITTEE**

6.1 The Compensation Committee shall, from time to time, administer and implement ESOS – 2009 as per the terms and conditions resolved by the Employee Welfare Trust and in accordance with the Applicable Laws.

7. **GRANT OF THE OPTIONS**

7.1 The Compensation Committee, in the best interests of the Company and its subsidiary companies and the Employees, shall have sole discretion in the selection of an Eligible Employee and in determining the quantum of Options to be granted to each Eligible Employee individually.

7.2 The grant of options to the Eligible Employee shall be communicated by way of a grant letter.

~~7.3 The Company shall from time to time make statutory disclosures to the Employees, stock exchanges and other authorities as per SEBI Guidelines.~~

7.4 In accordance with Applicable Laws and after receipt of shareholder approval, each Option will have a right to be converted into one Equity Share.



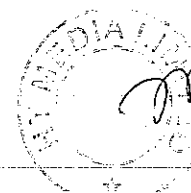
- 7.5 All Options granted to Eligible Employees are non-transferable. Subject to clause 8.3 of this ESOS 2009, no person other than the Eligible Employee(s) to whom the Options are granted shall be entitled to Exercise the Option.
- 7.6 Under ESOS 2009, maximum number of Options to be transferred per Eligible Employee shall be restricted to 500,000, in aggregate.
- 7.7 The Eligible Employees are required to fill up appropriate forms circulated by the Company, with nominations of their legal heirs in case of death or incapacitation and submit the same within 30 days of grant of Options in accordance with the ESOS - 2009. It is clarified that in the event such forms are not completed and submitted within the time period specified for the records of the Company, the Company shall not be in a position to extend the facility detailed in Clause 8.3 hereinbelow to any concerned Eligible Employee.

8 VESTING OF THE OPTIONS

- 8.1 The Vesting for the Eligible Employees shall be in accordance with **Schedule I**. Under ESOS-2009, there shall be a minimum period of one year between the grant of option and vesting of option, subject to proviso to clause 9.1 of the SEBI Guidelines.
- 8.2 Subject to Clause 11.8, for a valid Vesting, an Eligible Employee is required to be in service on the Vesting Date and must neither be serving his notice period for termination of service nor be subject to any disciplinary proceedings pending against him on the Vesting Date.
- 8.3 In the event of permanent incapacitation or death of an Eligible Employee, all the Options granted to him till the date of occurrence of any of the aforesaid events shall Vest in the permanently incapacitated Eligible Employee or the nominees/legal heir(s) of such Eligible Employee, as the case may be on that day.
- 8.4 Except in the case of privilege leave or other statutory entitlements, in the event an Eligible Employee is on leave/absent from work for a continuous period of 60 days or more in any financial year, the Vesting Date shall be adjusted for such period of leave/absence and determined by the Compensation Committee on a case-to-case basis.

9 EXERCISE OF THE OPTIONS

- 9.1 The Exercise Price of the Option shall be the 'Market Price' as defined in SEBI Guidelines.
- 9.2 The Options granted under the ESOS – 2009 shall be exercisable from the relevant Vesting Date till the completion of ten [10] years after the scheduled Vesting Date of the last tranche of the Options in the manner stipulated by the Compensation Committee. To illustrate, for a grant of 100 options on April 1, 2013, 75% of the options shall vest on April 1, 2014 and 25% of the options shall vest on April 1, 2015. The Exercise Period for both the tranches shall commence from the relevant Vesting Date (i.e., April 1, 2014 for 75% options and April 1, 2015 for 25% options) and shall expire on completion of 10 years from the Vesting Date of the last tranche (25%) of options i.e., March 31, 2025.
- 9.3 The Vested Options will become exercisable in part or whole and only by the Eligible Employee to whom it is granted or his/her legal heirs/nominees, on the occurrence of the events detailed in Clause 8.3 hereinabove. ~~The unexercised portion of the Vested Options can be Exercised in part or whole, but within the Exercise Period, whereafter the Options Vested but not Exercised shall be deemed to have lapsed.~~
- 9.4 The Eligible Employee or his/her legally constituted nominee as the case may be, proposing to Exercise the Vested Options shall compulsorily be required to submit the following to the Compensation Committee with a copy to the Trustee(s) of the Employee Welfare Trust:



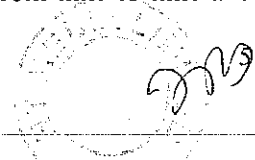
- written notice, electronic or otherwise, of Exercise along with requisite details such as the demat account number etc., in the form circulated pursuant to the ESOS for such purpose; and
- full payment of the Exercise Price in respect of Equity Shares for which the Options are being Exercised, in the form and manner indicated in the form.

10 FORFEITURE OR CANCELLATION OF OPTIONS GRANTED

- 10.1 In the event of any termination of employment of the Eligible Employee due to Cause prior to such Eligible Employee having Exercised Vested Options or any part of it, the unexercised Options granted whether Vested or unvested shall lapse with effect from the date of such termination.
- 10.2 The termination of employment for reasons other than Cause prior to an Eligible Employee having Exercised Vested Options shall not lead to the lapse of such unexercised Options. However, in such an event, the relevant Options Vested would have to be Exercised within such time as indicated by the Compensation Committee from the date of termination, failing which the Options Vested shall be deemed to have lapsed.
- 10.3 It is hereby clarified that in the event of resignation or termination of employment of an Eligible Employee, all Options not Vested in such Eligible Employee as on the date of resignation shall expire. However, the Eligible Employee shall be entitled to retain all the Vested Options, provided there is no pending enquiry or action against the Eligible Employee for any Cause.
- 10.4 An Eligible Employee or his/her legally constituted nominee as the case may be shall not be entitled to pledge, hypothecate, mortgage or otherwise alienate in any other manner, his beneficial interest in the Options granted/Vested.
- 10.5 The Eligible Employees shall also be bound by code of conduct of the Company, if any, as may be stipulated to be followed in respect of any Options granted/Vested and related transactions under the ESOS. In the event, any Eligible Employee commits a willful violation of the said code of conduct, the Company, upon recommendation of the Compensation Committee, may withdraw/annul the relevant and/or all related transactions under the ESOS - 2009.

11 OTHER TERMS

- 11.1 The Eligible Employees or his/her legally constituted nominee as the case may be shall not be entitled to claim dividend or a right to vote, or in any manner enjoy the benefits as a shareholder/member of the Company, in respect of the Options granted/vested till such time as the Equity Shares are transferred pursuant to valid Exercise of the Options and the actual transfer of the Equity Shares in favour of such Eligible Employee. The shares once transferred to the Eligible Employees or his/her legally constituted nominee as the case may be shall not be subject to any lock-in period and shall be freely transferable.
- 11.2 The Company may as permitted under the SEBI Guidelines, re-price the Options which are not Exercised, in the event the Options are rendered unattractive due to fall in the price of the Equity Shares quoted on the Stock exchanges on which they are listed. Provided that the Company ensures that such repricing shall not be detrimental to the interests of employees.
- 11.3 The Compensation Committee shall further frame suitable policies and systems to ensure that there is no violation of the Securities and Exchange Board of India (Insider Trading) Regulations, 1992 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995. Such policies will be intimated separately to the Eligible Employees from time to time and the Eligible Employees shall be automatically bound by the same.



- 11.4 In the event the Company is involved (i) in a scheme for reconstitution, re-organisation, share swaps, sale of all or substantially all of the assets of the Company and/or its subsidiary companies or a transaction similar thereto (ii) any stock split, reverse stock split, stock combination, rights issue, bonus issue or other changes in the capital structure of the Company or its subsidiary companies (iii) any other event, the Compensation Committee shall take any action necessary to make a fair and reasonable adjustment to the number of Options and/or to the Exercise Price so that the total value of the ESOS – 2009 remains the same. In all such corporate actions, the Compensation Committee shall ensure while taking into consideration the best global practices in this area, that the vesting period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Option holders. The decision of the Compensation Committee on whether such action is necessary and the extent of such action by the Compensation Committee shall be final and binding. The Compensation Committee shall also formulate procedure for cashless Exercise of Options as per SEBI Guidelines.
- 11.5 If a change in control of the Company, as defined under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2009, shall occur, then the Compensation Committee may make such adjustments as it, in its sole discretion, determines are necessary or appropriate in light of the change in control, provided that the Compensation Committee determines that such adjustments are not prejudicial to the interests of the Option holders.
- 11.6 The decision of the Compensation Committee with respect to any matter referred to in the above Clause 11.5 shall be conclusive and binding upon each Option holder without the need for any amendment to the ESOS - 2009.
- 11.7 Compensation Committee at its sole discretion may decide to Vest Options in any Eligible Employee whose services superannuate.
- 11.8 The Grant, Vesting and Exercise of the Options under the ESOS – 2009 will be subject to the Applicable Laws. If the grant of Options or any part of it is held to be void under any law in force, the offer and the related transactions will cease to have any effect and both the parties shall be absolved of their obligations under the ESOS - 2009.
- 11.9 The Eligible Employees or his/her legally constituted nominee as the case may be shall be liable to discharge the taxes and levies, if any, in respect of the ESOS – 2009 and it shall not be the responsibility of the Company to determine or advise the Eligible Employees or the aforesaid nominee on their personal/individual taxation issues in exercising the Options.
- 11.10 The Company shall comply with the disclosure, and accounting policies specified in Schedule I of the SEBI Guidelines in relation to the ESOS, prescribed by SEBI and such other guidelines, circulars, clarifications, notifications etc as may be issued by SEBI and any other appropriate authority from time to time.
- 11.11 The Eligible Employees to whom the ESOS – 2009 shall be applicable, can, if he so chooses, authorise the Company/ respective subsidiary companies/Employee Welfare Trust - (i) to withhold monies from salary and/or any other dues payable to such Eligible Employee or former Eligible Employee to meet tax and any other statutory obligations; and/or (ii) to recover directly from the Eligible Employee or former Eligible Employee the monies needed to meet such obligation.
- 11.12 The Company shall have a right to deduct from the employee's salary, any of the employee's tax obligations arising in connection with the Options or the shares acquired upon Exercise thereof. The Company shall have no obligation to deliver shares until the company's tax obligations relating to the Options, if any have been satisfied by the holder of the Options.

11.13 The Compensation Committee shall have absolute discretion to resolve any issue that arises in the administration of the ESOS - 2009, subject to the SEBI Guidelines and other Applicable Laws. The Compensation Committee shall have the right to direct the Trustee(s) to administer the provisions of the ESOS - 2009, as and when required, as per Applicable Laws.

11.14 Except in accordance with Applicable Laws and subject to necessary approvals, the Company shall not vary the terms of the ESOS – 2009 in any manner, which may be detrimental to the interests of the Eligible Employees.

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Schedule – I to HTML ESOS - 2009

Vesting: The Options granted to the Eligible Employee shall vest in the respective Eligible Employee in two tranches as under:

<i>Tranches</i>	<i>% of Options vested</i>	<i>Vesting Date</i>
Tranche – 1	75%	12 months from date of grant of Option
Tranche – 2	25%	24 months from date of grant of Option



A circular stamp with the text "HT MEDIA LIMITED" around the perimeter. A handwritten signature is written across the bottom of the stamp.