

## Employee Stock Option Plan 2008 of C.E. Info Systems Limited

### SCHEME CUM DISCLOSURE DOCUMENT

#### STATEMENT OF RISKS:

All investments in shares or options on shares are subject to risk as the value of shares may go down or up. In addition, employee stock options are subject to the following additional risks:

1. **Concentration:** The risk arising out of any fall in value of shares is aggravated if the employee's holding is concentrated in the shares of a single company.
2. **Leverage:** Any change in the value of the share can lead to a significantly larger change in the value of the option as an option amounts to a levered position in the share.
3. **Liquidity:** The options cannot be transferred to anybody, and therefore the employees cannot mitigate their risks by selling the whole or part of their options before they are exercised.
4. **Vesting:** The options will lapse if the employment is terminated prior to vesting. Even after the options are vested, the unexercised options may be forfeited if the employment is terminated for cause.
5. The risks and uncertainties include, but are not limited to, risks and uncertainties regarding fluctuations in earnings and exchange rates, ability to manage growth, intense competition in IT services, wage increases in India, Company's ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price contracts, client concentration, disruptions in telecommunication networks, liability for damages in Company's contracts & product warranty, political instability, legal restrictions on acquiring companies outside India, and unauthorized use of Company's intellectual property and general economic conditions affecting our industry.
6. Some of the risks are normal to the nature of industry in which the Company operates and some others are beyond the control of the Company.

#### INFORMATION ABOUT THE COMPANY:

The Company was incorporated on 17<sup>th</sup> February, 1995 as C.E. Info Systems Private Limited under the Companies Act, 1956, as amended. The objects for which the Company was incorporated are as per main objects detailed in the Memorandum of Association of the Company. The detailed information about the Company is available at [www.mapmyindia.com](http://www.mapmyindia.com)

#### DEFINITIONS:

In this Plan, unless the context otherwise requires:

- a. **"Act"** means the Companies Act, 2013 and rules and regulations framed there under as amended from time to time.

- b. **“Amendment”** means the variation to the Plan approved by the board of directors of the Company on July 27, 2021 & August 22, 2021 and by the Shareholders of the Company on July 29, 2021 & August 24, 2021 with the objective to –
  - i. streamline various provisions of the Plan to make vesting and exercise of Options more lucrative for the Eligible Employees in light of the proposed listing of Shares on stock exchanges in India; and
  - ii. align the Plan with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEBSE Regulations”) as existing on the date of such amendment.
- c. **“Applicable Law”** includes laws, statute, rule, regulation, guideline, circular or notification relating to employee stock options, including, without limitation to, the Companies Act, 2013, read with the Companies (Share Capital and Debenture Rules), 2014, the SEBI SBEBSE Regulations and includes any statutory modifications or re-enactments thereof, and all relevant tax, securities, exchange control or corporate laws of India including any enactment, re-enactment, amendment, modification or alteration thereof.
- d. **“Board” / “Board of Directors”** means the board of directors for the time being of the Company and includes a duly constituted Compensation Committee of the board of the directors of the Company.
- e. **“Bonus Shares”** means Shares allotted to the existing Shareholders free of cost by capitalizing the reserves of the Company into additional capital in accordance with the Applicable Laws.
- f. **“Company”** means C.E. Info Systems Limited and any successor company thereof.
- g. **“Compensation Committee”** means a committee of members of board of directors of the Company as provided under regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- h. **“Cause”** means the following: (i) fraud, misappropriation, theft, embezzlement or commission of an offence involving moral turpitude by an Employee; (ii) any gross negligence or wilful misconduct by the Employee that has been established as disruptive or detrimental to the functioning of the Company; (iii) breach of company policies; or (iv) breach of employment terms.
- i. **“Director”** shall mean a director on the Board, duly appointed in terms of the Act.
- j. **“Eligibility Criteria”** shall mean the criteria as may be determined from time to time by the Board of Directors for granting the Options to the Eligible Employees.
- k. **[“Eligible Employee”** means “employee”, except in relation to issue of equity shares, means
  - (i) an employee as designated by the company, who is exclusively working in India or outside India; or

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

- l. **“Exercise”** is the act of submitting Exercise Application by the Eligible Employee to the Company to convert the Vested Options into Shares upon payment of the Exercise Price as per the terms the Plan.
- m. **“Exercise Application”** means the written application for exercising Vested Options as may be prescribed from time to time.
- n. **“Exercise Period”** shall mean the time period, subject to a maximum period of 8 (Eight) years, from the date of Vesting of the Options within which the Grantee may Exercise such Vested Options at the Exercise Price in terms of this Plan. In case of cessation of employment due to resignation or termination of employment without cause, the Exercise Period shall be as mentioned in Clause 3 with respect to the Options that have Vested. Extension of Exercise Period shall be at the sole discretion of the Board and may differ on case to case basis. It is further clarified that in case of a Liquidation Event, the Exercise Period shall be as mentioned in Clause 8.
- o. **“Exercise Price”** means the price per Share payable by the Grantee for Exercising the Option Granted to him/her in pursuance of this Plan and as provided in the Letter of Grant, the Exercise Price shall however be subject to accounting policies as specified under the Act and the SEBI SBEBSE Regulations.
- p. **“Grant/ Granted”** means the process by which the Company will issue Options under this Plan as per the terms and conditions of the Plan.
- q. **“Grantee”** means an Eligible Employee who has been Granted Options and he/she has accepted the same; and where the context so permits, includes his/ her legal heirs and/or designated nominee/beneficiary;
- r. **“Letter of Grant”** means the letter issued by the Company notifying the Eligible Employee of the Options Granted to him for acquiring a specified number of Shares.
- s. **“Liquidation Event”** means liquidation, winding up or dissolution of the Company, a sale of all or substantially all of the assets of the Company, a sale of a majority of the share capital in the Company (whether or not the Company is a party), a merger or consolidation of the Company in which the shareholders of the Company immediately prior to such merger or consolidation hold in the aggregate shares representing less than a majority of the voting power of the outstanding shares of the surviving corporation after such merger or consolidation, or a change of Control of the Company.

- t. **“Option”** means a stock option Granted by the Company pursuant to this Plan, which would be convertible into Shares of the Company. This is a right but not an obligation granted to an Eligible Employee under this Plan to apply for and be allotted Shares of the Company, during or within the Exercise Period, subject to the requirements of Vesting.
- u. **“Permanent Incapacity”** means any disability of whatsoever nature be it physical, mental or otherwise which permanently and completely incapacitates or prevents a Grantee from performing any specific job, work or task which the said Grantee was capable of performing immediately before such disablement as determined by the Board based on a certificate of a medical expert of their choice.
- v. **“Plan”** means this Employee Stock Option Plan of the Company for the year 2008-2009 and shall include any alterations, amendments, additions, deletions, modifications, or variations made thereof from time to time.
- w. **“Promoter”** shall have the same meaning as assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
- x. **“Promoter Group”** shall have the same meaning as assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
- y. **“Relative”** shall have the same meaning ascribed to it under the Act.
- z. **“Retirement”** means retirement as per the Service Rules of the Company.
- aa. **“SEBI Act”** means the Securities and Exchange Board of India Act, 1992 as amended and includes all regulations and clarifications issued thereunder.
- bb. **“SEBI SBEBSE Regulations”** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and re-enacted from time to time, and includes any clarifications or circulars issued thereunder.
- cc. **“Share”** means the ordinary equity shares of the Company.
- dd. **“Shareholders”** means the shareholders of the Company and where the context so requires includes the shareholders of its holding company and/or its subsidiaries;
- ee. **“Unvested Option”** means an Option in respect of which the relevant Vesting Conditions have not been satisfied and as such, the Option Grantee has not become eligible to Exercise the Option
- ff. **“Vest” / “Vested” / “Vesting”** means the process by which the Grantee becomes entitled to receive the benefit of a Grant made to him/her under this Plan;
- gg. **“Vesting Condition”** means any condition subject to which the Options Granted would vest in an Option Grantee;

- hh. **“Vesting Period”** means the period, from the date of Grant of Options till the date on which the Grantee becomes eligible to Exercise the Options.
- ii. **“Vested Option”** means an Option in respect to which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible to Exercise the Option subject to fulfillment of Exercise conditions.

## 1. THE MAIN OBJECTIVES OF THE PLAN

- 1.1. An incentive to the Eligible Employees for the possibility of an ownership stake in the Company.
- 1.2. To keep a long association with the Company
- 1.3. Motivation of Eligible Employees to drive the Company's performance.
- 1.4. Employee participation in the shareholding of the Company
- 1.5. Bring long-term value to the shareholders.

## 2. SALIENT FEATURES OF THE EMPLOYEES STOCK OPTION PLAN (“PLAN”)

- 2.1 **Scope:** The Plan applies to all Eligible Employees of the Company. The Board of Directors (or the Compensation Committee), if so, authorized by the Board) of the Company will decide the entitlement of each Eligible Employee. With effect from April 1, 2008 employees' stock option scheme was announced. Eligible Employees have been committed certain Options which will be included and implemented in the **“EMPLOYEES STOCK OPTION PLAN 2008.”** This Plan is pursuant to and under the authority granted in terms of approval by the Board at its meeting held on December 11, 2008 and by the Shareholders at the Extraordinary General Meeting of the Company held on December 11, 2008.

### 2.2 Eligibility and Applicability

Only Eligible Employees are eligible for being Granted Options under the Plan. The specific employees to whom the Options would be Granted, and their Eligibility Criteria would be determined by the Board. Provided that Grant to the employees of any subsidiary or holding company, if any, shall require prior approval of the Shareholders of the Company. Any inconsistency between this Plan and the SEBI SBEBSE Regulations and/or the Act, the SEBI SBEBSE Regulations and/or the Act shall prevail.

- 2.2 **Number of Shares:** The Eligible Employees of the Company have already been Granted Options aggregating to 145,102 as of July 27, 2021 and further Options not exceeding 121,230 options under this Plan plus applicable bonus Options which shall be the total pool of available Shares for

the duration of the Plan and this is in line with the cap table of the Company. Subject to compliance with Applicable Law, the Company reserves the right to increase or reduce such number of Shares as it deems fit. In case of a share split where the face value of the Shares is reduced below Rs. 10, the maximum number of shares available for being Exercised under the Plan shall stand modified accordingly, so as to ensure that the cumulative face value (number of shares x face value per share) prior to such split remains unchanged after the share split. No single Eligible Employee shall get more than 10% of the Shares from the total available pool of 480,604 at the time of original plan.

- 2.3 Vesting Schedule: From the date of the Amendment to the Plan, 25 % of the Vested Options shall be exercisable at the end of each year;\*
- 2.4 **Duration:** a) The Plan shall be effective from the 27<sup>th</sup> July, 2021 or the date as approved by the Shareholders in its meeting, whichever is later and shall continue in effect unless terminated by the Company or the Board subject to Applicable Law. Any such termination of the Plan shall not affect the Grants already made which shall remain in full force and effect as if the Plan had not been terminated unless mutually agreed otherwise between the Grantees and the Company. It is clarified herein that such termination shall not be detrimental or prejudicial to the any Grantees who have been Granted Options under the Plan. b) Upon shareholders' approval of the Amendment of this Plan, no further grants of Options shall be made under this Plan. However, Options granted prior to the Amendment of the Plan shall continue to be valid post the Amendment and such Options, if Vested, can be Exercised post the Amendment of the Plan; and (c) this Plan shall automatically wound up upon Vesting, Exercise, cancellation/lapse, as may be applicable, of all Options granted under this Plan.

## 2.5 Administration of the Plan:

The Plan shall be administered and monitored by the Board. The Board may delegate its duties and powers in whole or in part as it determines. The Board is authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Plan. The Board may correct any defect, omission or reconcile any inconsistency in the Plan in the manner and to the extent the Board deems necessary or desirable. The Plan may also be administered by a designated trust in accordance with Applicable Law including but not limited to the SEBI SBEBSE Regulations.

Subject to the articles of association of the Company, the acts of a majority of the members of the Board present at any meeting (at which the quorum is present in accordance with the articles of association of the Company) or act approved in writing by a majority of the Board shall be the acts of the Board for the purpose of the Plan. No member of the Board may act upon matters under the Plan specifically relating to such member. Subject to the articles of association of the Company, any decision of the Board in the interpretation and administration of the Plan, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Grantee and/ or Grantees and their nominees/ beneficiaries). Neither the Company nor the Board shall be liable for any action or determination made in good faith with respect to the Plan or any Shares granted thereunder. The Company shall

### **\*Proposed amendment:**

*Vesting Schedule: From the date of the Amendment to the Plan, Options granted on or after April 01, 2023, 50% shall be vested at the end of 3rd & balance 50% at the end of 4th Year from the date of grant*

not vary the terms of the Plan in any manner, which may be detrimental to the interest of the employees; provided however, such restriction shall not be applicable in case of change of terms of the Plan on account of any regulatory requirement.

The Board shall, *inter alia*, do the following from time to time, subject to the provisions of Applicable Laws and terms of the articles of association of the Company:

- a) Adopt rules and regulation for implementing the Plan from time to time;
- b) Select the Eligible Employees to whom Options may from time to time be Granted hereunder and the Eligibility Criteria on which it will be based;
- c) Determine the Options to be Granted under the Plan per Grantee and in aggregate;
- d) Determine the Exercise Period within which the Grantee should Exercise the Grant failing which the Vested Options would lapse (on a case by case basis);
- e) Determine the conditions under which Grants made to the Grantee may lapse in case of termination of employment of the Grantee for Cause;
- f) Determine the right of a Grantee to Exercise all the Grants at one time or various points in time within the Exercise Period;
- g) Determine the Vesting period or lock-in-period for the Shares and any adjustments to the Vesting period or lock-in-period on the happening of certain events such as death, incapacity, superannuation, termination with Cause, other terminations, corporate actions etc.;
- h) Determine the conditions under which Grant of Options, Vesting, and Exercise of Options in case of employees who are on long leave is to be made;
- i) Determine the procedure for making a fair and reasonable adjustment to the number of Grants and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others;
- j) Determine the Exercise Price of the Options Granted and the manner of payment thereof including any tax payable by Eligible Employees thereupon.
- k) Determine the financial assistance, if any, to be given to Grantee for Exercise of the Grants;
- l) Determine the Grant and Exercise of Grants in case of Grantees who are on long leave;
- m) Approve forms of agreement for use under the Plan including Letters of Grant;
- n) Approve the valuation of the Plan;



- o) Determine the number of Shares in the case of Bonus Shares, preferential allotments (if any) and rights issues/dilution;
- p) Take any other actions and make any other determinations or decisions that it deems necessary or appropriate in connection with the Plan or the administration or interpretation thereof;
- q) Administer and reconcile any inconsistency in the Plan;
- r) To provide for cash in lieu of Options;
- s) To make provision for the cashless Exercise of the Options; and
- t) Perform such other functions and duties as may be required under the Applicable Laws.

All decisions, determinations and interpretations of the Board shall be final and binding on all concerned.

## **2.6 Grant:**

- a. Subject to the number of Shares as provided in Clause 2.2 of the Plan, the Grant may be made more than once under the Plan.
- b. The Board may, at its sole discretion, make a Grant to a Grantee in accordance with the terms and conditions of the Plan and to the extent permissible under the articles of association of the Company and other Applicable Laws.
- c. The Grant by the Board to the Grantee shall be made in writing and communicated to the Grantee by a Letter of Grant. The Letter of Grant will include details on the number of Options being Granted, the Exercise Period, the Exercise Price, the terms of Vesting, Vesting criteria and such other details that the Board considers appropriate. The Grantee shall submit his/her acceptance to the Board by submitting the acceptance form.
- d. During any one year, no Eligible Employee shall be Granted Options equal to or exceeding 1% of the issued Share capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Options, unless an approval from the Shareholders is taken by way of special resolution in a General Meeting.
- e. Save as provided in Clause 3 of the Plan, the Grants made under the Plan are personal to the Grantee. The Grants cannot be assigned, alienated, pledged, attached, hypothecated, sold, or otherwise transferred or encumbered by the Grantee except by the laws of descent, to the extent permitted under the Applicable Law, and any purported assignment, alienation, pledge, attachment, sale, transfer, or encumbrance not permitted herein shall be void and unenforceable.



- f. Where Shares are issued consequent upon Exercise of an Option under the Plan, the maximum number of Shares that can be issued under the Plan as referred to in Clause 2.2 above shall stand reduced to the extent of such issued Shares.
- g. An Option that expires or lapses or becomes un-exercisable or are not entitled for vesting or forfeited or lapsed or cancelled due to any reason, shall be added back to the number of Options that are pending to be granted and become available for future Grants unless the Plan stands terminated in accordance with the provisions of the Plan.

## 2.7 Vesting:

- a. Subject to the terms contained herein, each Option Granted shall be an Unvested Option.
- b. Options Granted under the Plan would vest not before 1 (one) year from the date of Grant of such Options. Options Granted under this Plan shall vest on the dates as mentioned in the vesting schedule for each individual Grant. Options Granted may be subject to Vesting conditions decided by the Board at its sole discretion, that maybe purely linked to time and /or performance linked parameters which may be corporate, individual or a combination of both. Such performance/time related parameters shall be outlined in the Letter of Grant.
- c. The accelerated vesting shall be permitted on specific Board approval and on such terms and conditions which may be imposed by the Board at the time of approving such accelerated vesting. Subsequent to the Vesting date, the Grantee shall exercise the Vested Options on or before the Exercise Period.
- d. Neither the Eligible Employee nor any person entitled to exercise Eligible Employee's rights in the event of death of the Eligible Employee, shall be entitled to claim or receive any dividend and right to vote or enjoy the benefits of a Shareholder in respect of the Options Granted/ Vested, till such time the Shares are issued / transferred to him pursuant to a valid Exercise of the Options.
- e. Subject to the Companies (Share Capital and *Debentures*) Rules, 2014, as applicable, the SEBI SBEBSE Regulations and any other Applicable Law, and unless the Board decides otherwise, no Options shall Vest in an Eligible Employee, if such Eligible Employee carries on or engages in, directly or indirectly, whether through partnership or as a shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise, any business which competes directly or indirectly with the whole or any part of the business carried on by Company or any activity related to the business carried on by the Company during his employment with the Company. Decision of the Board in this regard shall be final and conclusive and cannot be called in question by the Eligible Employee.

## 2.8 Exercise

- a. Subject to Clause 3 of the Plan, the Grantee may Exercise the Vested Options within the Exercise Period at the Exercise Price. Such Exercise may be of all Vested Options or part of the Vested Options, subject to Clause 2.8(b) of the Plan.
- b. The Vested Options may be Exercised either in full or in part for a minimum lot of 1 (one) Share and / or balance thereof. No vested option shall be exercisable in its fractional form.
- c. The Exercise shall take place at the time and place designated by the Board and by executing such documents as may be required under the Applicable Laws to pass a valid title of the relevant Shares to the Grantee, free and clear of any liens, encumbrances and transfer restrictions save for those set out as per terms and conditions of the Plan and as contained in the Articles.
- d. A Grant shall be deemed to be validly Exercised only when the Board receives a duly completed written or electronic notice of the Exercise, the Aggregate Exercise Price (in accordance with the Plan) and such other duly completed and signed documents as may be considered necessary by the Board to lawfully execute / enforce various provisions of the Plan, including but not limited to those provided under Clause 3 and Clause 4 of the Plan.
- e. On Exercise, the Grantee may subscribe to or acquire the Shares and the Company shall allot / transfer the Shares to the Grantee or, if so requested in writing by the Grantee/ Beneficiary, to the Grantee jointly with another person, provided the Company is satisfied that all conditions of the Plan have been complied with.
- f. The Board shall endeavour to ensure that the process of allotment / transfer of Shares to the Grantee, who has validly Exercised his/her Grants, are completed within a reasonable period of time of receiving a valid Exercise form.
- g. Only upon allotment/ transfer of the Shares, the Eligible Employees shall become members of the Company.
- h. Notwithstanding anything else contained in this Plan, if the Grantee does not Exercise his/her Vested Options within the time specified in Clause 2.8(a) and Clause 3 of the Plan, such Vested Options shall be automatically forfeited and stand cancelled.
- i. The Company, at its sole discretion and subject to Applicable Laws, may provide or arrange for financial assistance to the extent as permitted under the Applicable Laws and in any mode or manner it deems fit, to enable the Grantee to Exercise Vested Options within the Exercise Period.
- j. The aggregate Exercise Price shall be paid by the Grantee in full upon the Exercise of the Grants. Payment must be made by one of the following methods:

- i) cheque, banker's cheque, or demand draft issued in the name of the Company as the Board may specify; or
- ii) remittance directly from the Grantee's bank to the bank account of the Company (wire transfer) as the Board may specify; or
- iii) recovery from the immediately succeed in salary payment in case of the Grantees; or
- iv) any combination of such methods of payment or any other method acceptable to the Board at its sole discretion.

## 2.9 Cash less Exercise:

Subject to the Regulation 9 of the SEBI SBEBSE Regulations, the Company shall extend the facility of cashless exercise of Options to its employees. The Board or the Compensation Committee shall have the power to decide the manner in which the cashless exercise will be undertaken.

## 2.10 Allotment/ transfer of Shares pursuant to Exercise:

- a) On receipt of Exercise Application(s) complete in all respects and the aggregate Exercise Price and subject to completion of all applicable procedures with respect to Exercise as per Clause 2.8 of the Plan, the Company shall make an allotment / transfer of Shares either directly from the Company or any other mechanism as permissible under the Applicable Law including through a trust established for the benefit of the Employees who are eligible to receive Options under this Plan. Prior to the allotment / transfer of Shares pursuant to a valid Exercise, the Grantee shall be required to sign such papers as may be considered necessary by the Board to lawfully execute /enforce various provisions of the Plan, including but not limited to share purchase and option agreements, and those provided in Clause 3 and Clause 4 of the Plan. Such agreements may include such obligations and covenants as the Board deems appropriate (including provisions relating to lock-in of Shares and transfer of Shares). Subsequent to allotment, no Grantee should seek to sell or otherwise transfer the shares until the lock-in period, as applicable under Clause 4, has expired.
- b) Upon allotment/ transfer of the Shares, the Grantees shall become members of the Company and be governed by the Articles. Subject to the Articles, this Plan and the terms of the Letter of Grant, the Shares to be allotted shall rank *pari passu* in all respects with the outstanding Shares of the Company.
- c) The Board shall require the Grantees to execute a power of attorney, as a condition to Exercise of Options, authorizing the persons identified by the Board to act as duly constituted attorneys of such Grantee, inter alia (a) to attend and vote at a meeting of the shareholders of the Company as his representatives; (b) to appoint proxies to attend and vote at meetings of the shareholders of the Company; (c) to execute shareholders agreements and any other documents to be executed amongst the shareholders of the Company and agree to termination, revocation or amendment of

the same from time to time; (d) to give and issue any and all consents as may be required from time to time that a shareholder is entitled or required to give or issue; and (e) to execute all such documents, agreements etc., as may be required to effectuate the transfer of Shares contemplated in Clause 4(c) of this Plan.

### 3. TERMINATION OF EMPLOYMENT OF THE GRANTEE:

- a) **On the death of Grantee:** On death of the Grantee, the rights, and obligations of the deceased Grantee, under the Plan, shall be automatically transferred to the nominee/beneficiary of the deceased Grantee. The nominee/ beneficiary shall be permitted to Exercise Vested Options within a period of 12 (twelve months) from the occurrence of death of the Grantee and in accordance with other terms and conditions of the Plan as applicable to the deceased Grantee. Any Grants not Exercised within the aforesaid period(s) shall automatically lapse and stand forfeited at the end of the aforesaid period(s). With respect to the Shares held by the nominee/beneficiary pursuant to Exercise of Grants (including Bonus Shares and Right Shares arising therefrom), the provisions of Clause 4 shall apply. In case of death of the Grantee, any Unvested Options as on the date of death shall Vest in the nominee/beneficiary as per the Vesting schedule.
- b) **On incapacity of the Grantee:** In the event of the termination of the Grantee's employment with the Company as a result of Permanent Incapacity, the Grantee will be permitted to Exercise Vested Options within a period of 12 (twelve months) from the occurrence of Permanent Incapacity of the Grantee and in accordance with other terms and conditions of the Plan. Any Grants not Exercised within the aforesaid period(s) shall automatically lapse and stand forfeited at the end of the aforesaid period(s). With respect to Shares held by the Grantee pursuant to Exercise of Grants (including Bonus Shares and Right Shares arising therefrom), provisions of Clause 4 shall apply. Any Unvested Options as on the date of such Permanent Incapacity shall Vest in such Grantee as of the date of the Permanent Incapacity.
- c) **On attainment of superannuation age:** In case the service of the Grantee with the Company is terminated due to retirement on attaining superannuation age, the Grantee will be permitted to Exercise the Vested Options before the termination date or within 12 (twelve) months from the termination date, and in accordance with other terms and conditions of the Plan. Any Options not Vested before the termination date and any Grants not Exercised within the aforesaid period(s) shall vest or be Exercised, as the case may be, in accordance with the terms and conditions of this Plan]. With respect to Shares held by the Grantee pursuant to Exercise of Grants (including Bonus Shares and Right Shares arising therefrom), the provisions of Clause 4 shall apply.
- d) **Termination with Cause:** In case the employment of a Grantee with the Company is terminated with Cause or in case the Eligible Employee abandons its employment for a period exceeding 60 days in any financial year, all Grants made to the Grantee, including Vested but un-Exercised Options, shall stand forfeited and get automatically cancelled on such termination date. However, the Board shall have the right to waive the forfeiture wholly or partly at its sole discretion. With respect to Shares

held by the Grantee pursuant to the Grants already Exercised (including Bonus Shares and Right Shares arising therefrom), the provisions of Clause 4 shall apply.

- e) **Other terminations:** In case the service of the Grantee with the Company is terminated by reason other than specified in Clauses 3(a), 3(b), 3(c) or 3(d) of the Plan (i.e. in case of resignation etc.), the Grantee will be entitled to Exercise, before leaving the Company, all Options which have Vested, prior to the starting of the notice period. With respect to the Shares held by the Grantee pursuant to Exercise of Grants (including Bonus Shares and Right Shares arising therefrom), the provisions of Clause 4 shall apply.

#### 4. TRANSFERABILITY OF SHARES:

- a) Subject to any modifications made by the Board as per the terms and conditions of the Plan, all Shares allotted /transferred under the Plan, whether to a Grantee or a Beneficiary shall have a lock in period as decided by the Board from time to time, for each Grantee from the date of allotment. Bonus Shares/ Rights Shares issued by virtue of holding Shares allotted / transferred pursuant to a valid Exercise shall also be subject to a lock in period equal to the unexpired portion of the lock in period on the original Shares.
- b) Any transfer of Shares held by an Eligible Employee and/or their nominee/beneficiary shall be subject to the share transfer restrictions as stipulated in the articles of association of the Company and as per Applicable Laws.
- c) The sale of the Shares to the Company or at the Company's behest, to the trust set up under the Plan, if any, or any other designated person or entity shall be at the sole discretion of the Company and as decided by the Board from time to time and on a case to case basis. The mode and modalities of effecting the transactions envisaged in Clauses 4(a) to 4(c) shall be in accordance with the Articles or as prescribed by the Board in due course.

#### 5. ADJUSTMENTS ON CORPORATE ACTION:

- a) The Board will introduce the procedure for making fair and reasonable adjustments to the number of Options and the Exercise Price, when corporate actions are initiated.
- b) Subject to Clause 2.10, if the Company (a) issues Bonus Shares, the number of Shares to be issued upon Exercise of an Option issued prior to such issuance of Bonus Shares shall be subject to a proportionate increase, (b) completes a sub-division of Shares, the number of Shares to be issued upon Exercise of an Option issued prior to such sub-division shall be subject to a proportionate increase, and (c) completes a consolidation of Shares, the number of Shares to be issued upon Exercise of an Option issued prior to such consolidation shall be subject to a proportionate decrease.
- c) The issue of the Bonus Shares shall not change any of the rights or conditions under which the Options have been Granted except the entitlement to a pro-rata increase in the number of Shares to be issued upon Exercise of the Options.

- d) There shall be no entitlement to adjustment in the number of Shares to be issued upon Exercise in relation to an issuance of further Shares or convertible instruments such as convertible preference shares and convertible debentures for consideration as determined by the Board.
- e) Subject to Clause 5(a), where the Options have been Granted and whether Vested or not, should any changes be made to the par value of the Shares of the Company by reason of any corporate action, appropriate adjustments shall be made either to the number of Options or the Exercise Price of Options Granted, to reflect such change without in any way affecting the rights of the said Grantee, and also prevent a dilution or enlargement of benefits of the Plan.

## 6. RIGHTS OF A GRANTEE:

- a) **Rights as Shareholder:** The Grantee shall not have the right to receive any dividend or to vote or in any manner enjoy the benefits as a shareholder in respect of the Options Granted to him/ her, till the Shares are issued upon the Exercise of the Options and the Grantee becomes the registered holder of the Shares of the Company. The rights of a Shareholder shall be conferred upon the Grantee only upon a valid Exercise of Option(s) and the resultant transfer/ issue of Shares by the Company. Upon the allotment of the Shares, the Grantee shall become member of the Company and shall be entitled to all rights of a member including voting rights, receipt of dividend etc. and obligations as imposed on a shareholder of the Company under the terms of the articles of association of the Company. Subject to the articles of association of the Company, this Plan and the terms of the Letter of Grant, the Shares to be allotted shall rank *pari passu* in all respects with the outstanding Shares of the Company. The Grantee shall, at all times, be bound by, and observe, the terms of the articles of association of the Company.
- b) **Nominee/ Beneficiary Designation:** Each Grantee under the Plan may nominate, from time to time, any nominee/beneficiary or nominees/ beneficiaries who shall be entitled to the Vested Options on the death of the Grantee, subject to the terms and conditions of this Plan. Each such nomination which revokes all prior nominations by the same Grantee, shall be in a form prescribed by the Company and shall be effective only when filed by the Grantee in writing with the Company during the Grantee's lifetime. If no such nomination is made or if the nomination is invalid or ineffective, the benefits shall, subject to the restrictions set out in this Plan, be passed on to the legal heirs of the Grantee, subject to such legal heirs executing all agreements, deeds or other documents as may be required by the Company.

## 7. TAX IMPLICATIONS:

- a) All Exercises made under the Plan shall be subject to tax deduction at source as per the Applicable Laws.
- b) The Company shall have the right to deduct/ recover all taxes payable either by itself or by the Grantee, in connection with all Grants under this Plan, by way of deduction at source from salary and in addition to require any payments necessary to enable it to satisfy such obligations. In this regard, the Company may require security for such reimbursement of taxes as a precondition to Exercise of any Option by the Grantee. Grantees are advised to consult their respective tax advisors. Without prejudice to the foregoing, it is hereby clarified that any tax liability arising in

connection with Grant, Vesting of Options, Exercise of Options, issuance of Shares shall be borne by the Grantee.

- c) The Grantee or their nominee/beneficiary is liable to make good to the Company any tax, paid or payable by the Company, as per the Applicable Laws in respect of any Grant/ Exercise/allotment of Shares made under the Plan. The Grantee will also as a condition of the Plan authorize the Company or its nominee to sell such number of Shares as would be necessary to discharge the obligation in the respect of such taxes and appropriate the proceeds thereof on behalf of the Grantee.
- d) Notwithstanding anything else contained in this Plan, no Shares / sale proceeds there from, as the case may be, shall be allotted / disbursed to the Grantee / Nominee/Beneficiary on Exercise of Grants/ sale of Shares, under this Plan unless any tax or other levy directly imposed on the Company as a result of the said transaction has been recovered to the satisfaction of the Company.
- e) The tax obligations, if any, arising at the time of transfer of Shares acquired under the Plan shall be the sole responsibility of the Grantee/Beneficiary.

## **8. LIQUIDATION EVENT AND CONSEQUENCES:**

- a) Upon the occurrence of a Liquidation Event and prior to consummation of such Liquidation Event, the Board shall within a reasonable period of time send an intimation to the Grantee.
- b) Subject to the provisions of the Act, SEBI SBEBSE Regulation and Applicable Law, upon the occurrence of a Liquidation Event and prior to consummation of such Liquidation Event, the Company / acquirer of the Company may at its option with consent of the Shareholders, suspend or terminate the Plan and thereupon all Unvested Options shall automatically lapse and be of no effect. Such acquirer may also, at its option, provide a plan similar or substantially similar to this Plan, to the continuing Employees of the Company.
- c) The Board shall, at its sole discretion, but having regard to the type of Liquidation Event with the consent of the Shareholders determine and notify through the intimation to the Grantee that for a particular Liquidation Event, (i) the acquirer entity has agreed to assume the Options, Vested or Unvested in which case each outstanding Option shall be assumed for an equivalent option substituted by the acquirer entity and the vesting schedule shall continue in the surviving entity with a recalibration of the vesting schedule; or (ii) in case the acquirer entity has refused to assume the Options, or in any other case, the Grantee shall be required to Exercise its Vested Options within 60 (Sixty) days prior to the Liquidation Event; or (iii) the Company will offer a cash arrangement as mentioned in Clause 5(d); or (iv) the Board will take a decision as it deems fit. In case the Vested Options are not Exercised within 60 (Sixty) days prior to a Liquidity Event, in accordance with Clause 8(c) (ii), such Vested Options shall stand cancelled and no compensation shall be payable in respect of the Vested Options so cancelled.
- d) Notwithstanding anything contained herein, in relation to a Liquidation Event, the Company may, in lieu of permitting Exercise of Options provide for a cash arrangement, whereby the Company may terminate all Vested Options and pay each Grantee a sum equal to the value (as determined



mutually between the acquirer of the Company and the Board) of the Vested Options in terms of the Liquidation Event (consistent with the terms set forth in the Articles) less the Exercise Price of the Vested Options. Upon payment of such amounts, the Grantee shall cease to be entitled to such Vested Options.

- e) To facilitate the consummation of payments as set forth above, the Company may set up an escrow account with an independent third party and deposit the sums due pursuant to Clause 5(d) in escrow for onward payment to the Grantees. Deposit of the sums in escrow as set forth herein shall constitute due payment for the purposes of Clause 5(d) above. Sums in escrow may be utilized for the purposes for which the escrow was set up.
- f) In the event of an initial public offering, the Board shall determine the manner in which Unvested Options are to be treated and shall convey instructions in this regard to the Grantee. The Grantee shall be bound by all such instructions provided to him/her by the Board at the relevant time.

#### **9. MODIFICATION OF PLAN:**

The Board may, subject to the articles of association of the Company and pursuant to consent of the Shareholders through a special resolution, passed at a General Meeting at any time and from time to time:

- a) Revoke, add to, alter, amend or vary all or any of the terms and conditions of the Plan or all or any of the rights and obligations of the Grantees, subject to such alteration not being prejudicial to the interests of the employees of the Company;
- b) Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Grantees. Each of such sets of special terms and conditions shall be restricted in its application to those Grantees;
- c) Formulate separate sets of special terms and conditions in addition to those set out herein, to apply to each class or category of Grantees separately and each of such sets of special terms and conditions shall be restricted in its applications to such Grantees. Provided that no variation, alteration, addition or amendment to the Plan can be made if it is detrimental to the interest of the Grantees unless prior written consent of the affected Grantees are obtained towards the same.

#### **10. OTHER TERMS AND CONDITIONS:**

- a) Each Option shall be convertible into 1 Share at the time of the exercise of an Option.
- b) The Shares resulting from such conversion shall not be subject to any lock-in condition.

- c) In the event of any bonus/split/rights issue of Shares, the entitlement of Options/Shares will be suitably revised.
- d) In the event there is a change of control, the Grantee shall be eligible to exercise forthwith the minimum number of Options Vested. For the purpose of this clause, “change of control” means any person or entity (or group of affiliated persons or entities) acquiring, in one or more transactions, ownership of 50% or more of the outstanding Share capital of the Company **OR** any sale, transfer or other conveyance of all or substantially all of the Company’s assets in one transaction or a series of related transactions.
- e) In the event there is dilution of equity pursuant to any corporate restructuring/merger/acquisition, the Compensation Committee of the Company shall be empowered to make pro-rata adjustment in the entitlement of Options.
- f) Grantee shall not be construed as a member of the Company and as such shall not be entitled to any rights and privileges applicable to the members of the Company, until conversion of Options into Shares as provided in this Plan.
- g) In the event of a Grantee’s transfer to a subsidiary company at the instance of or with consent of the Company, the Grantee will continue to hold all Vested Options and can exercise them anytime within the Exercise Period. All Unvested Options shall vest as per the Vesting schedule.
- h) The Shares issued to the holder upon conversion of Options shall be subject to the provisions of the memorandum and articles of association of the Company.

## 11 REGULATIONS AND APPROVALS:

- a) The Grant and the obligation of the Company to allot or transfer Shares with respect to such Grants shall be subject to the Applicable Laws and rules and regulations made thereunder and obtaining all such approvals from governmental agencies as may be deemed necessary or appropriate by the Board.
- b) The Board may make such changes to the Plan as may be necessary or appropriate to comply with the rules and regulations of any government authority.
- c) The implementation of the Plan, the offer of the Grants and the issuance of any Shares under this Plan shall be subject to the procurement by the Company and the Grantees/nominees/beneficiaries of all approvals and permits required by any regulatory authorities having jurisdiction over the Plan, the Grants and the Shares issued pursuant thereto. The Grantees/nominees/beneficiaries under this Plan will, if requested by the Board, provide such assurances and representations to the Company or the Board, as the Board may deem necessary or desirable to ensure compliance(s) with all Applicable Laws and other legal and accounting requirements. The inability of the Company to obtain authority from any regulatory body as per the Applicable Laws, for the lawful issue of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of the failure to issue or sell such Shares.

- d) The Grantee agrees and acknowledges that the Grantee has received and read a copy of the Plan. Any term of the Plan that is contrary to the requirement of the Applicable Laws or any other Applicable Laws or other Indian regulations shall not apply to the extent it is contrary.
- e) If any of the provisions mentioned in this Plan are determined to be invalid or unenforceable, the remaining provisions shall remain in effect and binding on the parties to the fullest extent permitted by law.

## **12. INSIDER TRADING:**

### **1. Trading Window:**

- a) The Company will specify a trading period, to be called a “trading window” for trading in the Company’s Shares. The trading window shall be, inter alia, closed at the time of:
  - i. Declaration of financial results (quarterly, half yearly and annually)
  - ii. Declaration of dividends (interim and final)
  - iii. Issue of securities by way of public/rights/bonus etc.
  - iv. Any major expansion plans or new projects
  - v. Amalgamations, mergers, takeovers and buy-backs
  - vi. Disposal of whole or substantially the whole of the undertaking
  - vii. Any change in the policies, plans and operations of the Company.
- b) The commencement of the closing of the trading window shall be determined by the Company. The trading window shall be opened 48 hours after the information referred to in clause 12.1(a) above is made public.
- c) All the Option Grantees shall conduct all their dealings in the Shares of the Company only in a valid trading window. No trading shall be done during the periods when trading window is closed or during any other period as may be specified by the Company from time to time.
- d) Options can be exercised even when the trading window is closed but dealing in the resultant Shares is not to be done during such closed trading window period.

### **2. On Exercise, if the Option Grantee decides to sell 500 shares or more, such sale should be pre-cleared as per the pre-dealing procedure given below:**

- a) An application may be made in such form as the Company may notify in this regard to the Compliance Officer indicating the estimated number of securities that the Option Grantee intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository, mode and such details as may be required by any rule made by the Company in this behalf.

- b) An undertaking shall be executed in favour of the Company by such Option Grantee incorporating, inter alia, the following clauses as may be applicable:
  - i) That the Option grantee does not have any access or has not received “price sensitive information” upto the time of signing the undertaking.
  - ii) That in case the Option Grantee has access to or receives “price sensitive information” after signing the undertaking but before execution of the transaction, he shall inform the compliance officer of the change in his position and that he would completely refrain from dealing in the Company’s Shares till the time such information becomes public.
  - iii) That he has not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
  - iv) That he has made a full and true disclosure in the matter.
- 3. All regulations as per the latest amendment in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Company’s insider trading policy shall apply.

### **13. ARBITRATION:**

In the event of a dispute arising out of or in relation to the provisions of this Plan (including a dispute relating to the construction or performance thereof), the relevant parties shall attempt in the first instance to resolve such dispute through an amicable settlement. In case of failure, the matter shall be referred for final determination to a sole arbitrator appointed jointly by the Grantee and the Board and the decision of such an arbitrator shall be final and binding on the Company and the Grantee. The arbitration proceedings shall be held in India at a venue as the Board may, at its sole discretion decide, under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof. The arbitrator shall give a reasoned award in writing. The arbitrator shall also decide on the costs of the arbitration proceedings. The parties shall submit to the arbitrator's award and the award shall only be enforceable in a competent court of law at the place where arbitration proceedings have been held.

### **14. NOTICES AND CORRESPONDENCE:**

- a) Any notice required to be given by a Grantee to the Company or the Board or any correspondence to be made between a Grantee and the Company or the Board may be given or made to the Company at the registered office of the Company, or to the Board, as may be notified by the Company in writing.
- b) Any notice required to be given by the Company or the Board to a Grantee or any correspondence to be made between the Company or the Board and a Grantee shall be given or made by the Company or the Board on behalf of the Company at the address provided by the Grantee in his/her Acceptance Form.

### **15. INDEMNIFICATION:**

To the fullest extent permitted by law, the Company shall indemnify and hold harmless the members of the Board from and against any and all liabilities, costs and expenses incurred by such persons as a result

of any act or omission to act in connection with the performance of such person's duties, responsibilities and obligations under the Plan, other than such liabilities, costs and expenses as may result from the gross negligence, bad faith, wilful misconduct or criminal acts of such persons.

## 16. MISCELLANEOUS:

- a) No right to a Grant: Neither the adoption of the Plan, nor any action of the Board shall be deemed to give a Grantee any right to a Grant to acquire Shares or to any other rights hereunder except as may be evidenced by the Letter of Grant, and then only to the extent of and on the terms and conditions expressly set forth therein, or in the Plan as the case may be.
- b) No employment rights conferred: Nothing contained in the Plan or in any Grant made hereunder shall (i) confer upon any Eligible Employee any right with respect to continuation of employment with the Company, or (ii) interfere in any way with the right of the Company to terminate his/her employment at any time.
- c) The rights granted to a Grantee upon the Grant of an Option shall not afford the Grantee any rights to compensation or damages in consequence of the loss or termination of his/her office or employment with the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).
- d) The Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to Exercise an Option in whole or in part.
- e) Nothing contained in the Plan shall be construed to prevent the Company from implementing any other employee stock option plan, whether in supersession of this Plan or not, directly or through any trust settled by Company or any other person which is deemed by the Company to be appropriate or in its best interest, whether or not such other action would have any adverse impact on the Plan or any grant made under the Plan. No Eligible Employee or other person shall have any claim against the Company as a result of such action.
- f) Adherence to Applicable Laws: The Grantee shall comply with all Applicable Laws.
- g) Disclosure requirements: The Board shall make all the relevant disclosures in the Director's report in relation to the Plan as may be required under the Applicable Laws. The Company shall endeavour to provide to the Grantees all developments in the Company that it considers relevant and material with respect to the Plan.
- h) Accounting Methods: The Company shall follow and conform to the applicable accounting policies issued by the Institute of Chartered Accountants of India from time to time any other Applicable Laws.
- i) The Options to be Granted under this Plan shall be valued in accordance with such methods as may be determined by the Board from time to time.

- j) This Plan shall not confer on any person any legal or equitable rights against the Company or the Board directly or indirectly or give rise to any cause of action at law or in equity against the Company or the Board.
- k) The Company shall bear the costs of establishing and administering this Plan, including any costs of the Company's auditors or any independent financial adviser in relation to the preparation of any confirmation by them or provision of any other service in relation to this Plan.
- l) The Grantee shall comply with the Applicable Laws, as well as any code of conduct or such similar policy procedure or system formulated or adopted by the Board and communicated to the Grantee from time to time. Any violation of the Applicable Laws or code of conduct may result in cancellation of the Grants as well as subject the Grantee to disciplinary action at the discretion of the Company.
- m) The Grantee shall maintain a register of Options Granted as per the Act.
- n) The acceptance of the Grant is entirely voluntary and the Company or the Board do not guarantee any return on the Shares.
- o) This Plan constitutes the entire document in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter.

#### **17. CONFIDENTIALITY:**

The Grantee shall not divulge the details of the Plan and/or his/her holdings to any person except with the prior written permission of the Board/Compensation Committee unless so required to do under any Applicable Law applicable to such Grantee.

#### **18. SEVERABILITY:**

If any of the provisions mentioned in this Plan are determined to be invalid or unenforceable, the remaining provisions shall remain in effect and binding on the parties to the fullest extent permitted by Applicable Law.

#### **19. SET OFF:**

The Shares allotted / transferred under the Plan shall be subject to set off or counterclaim of amounts owed by the Grantee to the Company or the Board, to the extent permitted under the Applicable Laws.

#### **20. GENERAL RISKS:**

Participation in the Plan 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 Grantee alone.

**21. CHANGES IN THE TERMS AND CONDITIONS OF THE PLAN:**

Subject to applicable law, the Compensation Committee may at any time at its discretion change the terms and conditions of the Plan, subject to Shareholders' approval. This change, however, shall not be to the detriment of the Grantee under the Plan.

**22. CONTRACT OF EMPLOYMENT:**

- a) Nothing in the Plan 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.
- b) The Plan shall not either confer on any person any legal or equitable rights against the Company directly or indirectly or give rise to any cause of action in law or equity against the Company.
- c) The Plan is purely at the discretion of the Company.