



IRIS Business Services Limited

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NOTICE OF POSTAL BALLOT

To,

The Members,

NOTICE is hereby given that pursuant to Section 110 and other applicable provisions if any, of the Companies Act, 2013 (the “Act”), read with Rule 22 of the Companies (Management and Administration) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, IRIS Business Services Limited (the “Company”) hereby seeks your approval by way of Special Resolution through Postal Ballot including voting by electronic means (“e-voting”) in respect of the following special business.

An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the resolution, instructions for e-voting and Postal Ballot Form are annexed to the Notice of Postal Ballot for your consideration.

SPECIAL BUSINESS:

1. RATIFICATION OF IRIS BUSINESS SERVICES LIMITED EMPLOYEE STOCK OPTION SCHEME 2017 (“IRIS ESOS 2017”)

To consider and, if thought fit to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the Regulation 12 and other applicable provision(s) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 62 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), as per the provisions of Memorandum of Association and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed while granting such approvals, permissions and sanctions, the **IRIS Business Services Limited Employee Stock Option Scheme 2017 (“IRIS ESOS 2017” / “Scheme”)**, which was approved and adopted by the members of the Company at the Extraordinary General Meeting of the Company held on September 13, 2017 to create, offer, and grant up to 7,00,000 (seven lakh) employee stock options to the eligible employees of the Company, in one or more tranches, exercisable in aggregate into not more than 7,00,000 (Seven Lakh) equity shares of the Company, with each option exercisable for one equity share of the face value of Rs. 10/- each fully paid-up on payment of the requisite exercise price to the Company, be and is hereby ratified within the meaning of Regulation 12 of SEBI SBEB Regulations and the consent of the members of the Company be and is hereby accorded to create, offer, issue and allot at any time to or for the benefit of employee(s) / Directors whether working in India or out of India in terms of the IRIS ESOS 2017, shares on exercise of options, issue fresh options, re-issue of options that may have lapsed/cancelled/surrendered, already approved under the IRIS ESOS 2017;

RESOLVED FURTHER THAT the Board (hereinafter referred to as the “Board” which term shall be deemed to include the Nomination and Remuneration Committee of Directors (hereinafter referred as “the NRC”) which has been duly constituted by the Board and which shall act as the Compensation Committee under Regulation 5 of SEBI SBEB Regulations and to exercise its powers, including the powers conferred by this resolution) and the Company Secretary be and is hereby authorized to take necessary steps for listing of equity shares to be allotted under IRIS ESOS 2017 on Stock Exchange(s) as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 and SEBI SBEB Regulations and other applicable laws and regulations;

RESOLVED FURTHER THAT subject to the terms stated herein, the equity shares to be allotted pursuant to IRIS ESOS - 2017 shall rank pari-passu with the then existing equity shares of the Company, in all respects;

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to IRIS ESOS 2017;

RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the terms mentioned in the explanatory statement to this resolution, which are hereby approved by the members, the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of IRIS ESOS 2017, from time to time, as it may in its sole and absolute discretion decide, which shall not be detrimental to the interests of the employees, subject to the conformity with the SEBI SBEB Regulations and issue clarifications in this regard;

RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in relation to the implementation of IRIS ESOS 2017 without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board is hereby authorized to make fair and reasonable adjustment(s) to options granted earlier / resultant shares, the exercise price or any other terms of options as may be necessary due to Corporate Actions such as bonus, stock splits, or consolidation or other re-organisation of the capital structure of the Company, as may be applicable, from time to time, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of IRIS ESOS 2017;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to the Nomination and Remuneration Committee of the Board and/or director(s) and/ or officer(s) of the Company, to give effect to this resolution;

RESOLVED FURTHER THAT any one of the Director or the Company Secretary of the Company be and is hereby authorized to file the prescribed e-form with the Registrar of Companies and to issue a certified true copy of this resolution.”

2. APPROVAL OF IRIS BUSINESS SERVICES LIMITED EMPLOYEE STOCK OPTION SCHEME 2017 FOR THE EMPLOYEE(S) OF SUBSIDIARY COMPANY(IES) OF THE COMPANY:

To consider and, if thought fit to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the Regulation 6(3)(c) and other applicable provision(s) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (‘SEBI SBEB Regulations’), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 62 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), as per the provisions of Memorandum of Association and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed while granting such approvals, permissions and sanctions, the consent of the members be and is hereby accorded to the Board to extend the benefits of the ‘**IRIS Business Services Limited Employee Stock Option Scheme 2017**’ (“**IRIS ESOS 2017**” / “**Scheme**”), referred to in the Special Resolution under Item No. 1 of this Postal Ballot Notice, also to the benefit of such person(s) who are permanent employees of present or future subsidiary companies of the Company, whether working in India or outside India, and / or to the directors of the subsidiary companies of the Company, whether whole-time or not but excluding independent director(s) of the subsidiary companies and to such other persons as may be decided by the Board and / or permitted under SBEB Regulations (hereinafter referred to as “Eligible Employees”) but excluding employees who are promoters or persons belonging to the promoter group and Director(s) who either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company, to the intent that the number of Securities

offered under IRIS ESOS 2017 to the employees of the subsidiary companies shall be subsumed in the aggregate limit of 7,00,000 options / equity shares of the face value of Rs. 10/- (Rupees ten only) each set out in the Special Resolution under Item No. 1 of this Postal Ballot Notice;

RESOLVED FURTHER THAT the Board (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of Directors (hereinafter referred as "the NRC") which has been duly constituted by the Board and which shall act as the Compensation Committee under Regulation 5 of SEBI SBEB Regulations and to exercise its powers, including the powers conferred by this resolution) and the Company Secretary be and is hereby authorized to take necessary steps for listing of equity shares to be allotted under IRIS ESOS 2017 on Stock Exchange(s) as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and SEBI SBEB Regulations and other applicable laws and regulations;

RESOLVED FURTHER THAT subject to the terms stated herein, the equity shares to be allotted pursuant to IRIS ESOS - 2017 shall rank pari-passu with the then existing equity shares of the Company, in all respects;

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to IRIS ESOS 2017;

RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the terms mentioned in the explanatory statement to this resolution, which are hereby approved by the members, the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of IRIS ESOS 2017, from time to time, as it may in its sole and absolute discretion decide, which shall not be detrimental to the interests of the employees, subject to the conformity with the SEBI SBEB Regulations and issue clarifications in this regard;

RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in relation to the implementation of IRIS ESOS 2017 without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board is hereby authorized to make fair and reasonable adjustment(s) to options granted earlier / resultant shares, the exercise price or the any other terms of options as may be necessary due to Corporate Actions such as bonus, stock splits, or consolidation or other re-organisation of the capital structure of the Company, as may be applicable, from time to time, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of IRIS ESOS 2017;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to the Nomination and Remuneration Committee of the Board and/or director(s) and/ or officer(s) of the Company, to give effect to this resolution;

RESOLVED FURTHER THAT any one of the Director or the Company Secretary of the Company be and is hereby authorized to file the prescribed e-form with the Registrar of Companies and to issue a certified true copy of this resolution."

By Order of the Board
For **IRIS Business Services Limited**

Jay Mistry
Company Secretary & Compliance Officer

Place: Vashi

Date: February 23, 2019

Notes:

1. An explanatory statement pursuant to the provisions of Section 102 (1) of the Companies Act, 2013 is annexed hereto. The said resolution and explanatory statement along with Postal Ballot Form and postage pre-paid self-addressed envelope is being sent for your consideration.
2. The members are informed that approval to resolution as set out in the notice shall be sought by postal ballot and e-voting.
3. This Notice is being sent to all shareholders, whose names appear in the Register of Members / list of Beneficial Owners as received from Central Depository Services (India) Limited (CDSL)/ National Securities Depository Limited (NSDL) as on Friday, February 22, 2019 ("Cut-off Date") and voting rights of shareholders shall be reckoned in proportion to their share of the paid up equity share capital of the Company as on the cut-off date.
4. Notice is being sent in electronic form to the members who have registered their e-mail addresses with the Company/ Depositories and others are being sent the Notice through the permitted mode along with the Postal Ballot Form and postage pre-paid self-addressed envelope. Members who have received Notice by e-mail and who wish to vote through physical Postal Ballot Form may download the Notice along with Postal Ballot Form from the link www.evotingindia.com or from the 'Investors' section on the Company's website: viz. www.irisbusiness.com.
5. The Company has appointed Ms. Priti Sheth of M/s. Priti J. Sheth & Associates, Company Secretaries, (Membership No. FCS 6833, C.P. No. 5518) and failing her Ms. Rachana Maru of M/s. Priti J. Sheth & Associates, (Membership No. ACS - 41825, C.P. No. 16210) as the Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner.
6. The members can opt for only one mode of voting i.e. through physical Postal Ballot or e-voting. In case, members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot will be treated as invalid.
7. Members are requested to carefully read the instructions printed on the Postal Ballot Form attached hereto, and if member is not voting electronically, can record the assent or dissent in the Postal Ballot Form and return the duly completed and signed form (no other form is permitted) in the enclosed postage pre-paid self-addressed envelope so as to reach the Scrutinizer, Priti J. Sheth at Link Intime India Private Limited, Unit: IRIS Business Services Limited, C-101, 247 Park, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli (West), Mumbai - 400083, Maharashtra on or before 5.00 p.m. (IST) on Friday, March 29, 2019. Envelope containing Postal Ballot Form, if sent by courier or by registered post at the expense of the member will also be accepted. However, the Postal Ballot Forms received after the stipulated day and time will be strictly treated as if no reply has been received from the member.
8. The Company is pleased to offer remote e-voting facility as an alternate, for its members to enable them to cast their votes electronically instead of casting the vote through Postal Ballot Form. The e-voting facility is provided through Central Depository Services Ltd ("CDSL").
9. The e-voting period shall start at 9.00 a.m. (IST) on Thursday, February 28, 2019 and end at 5.00 p.m. (IST) on Friday, March 29, 2019. The e-voting module shall also be disabled by CDSL for voting thereafter.
10. Upon completion of the scrutiny of the Forms, the Scrutinizer will submit her report. The Chairman or in his absence, any Director of the Company or the Company Secretary, duly authorized, will announce the results of the Postal Ballot by Sunday, March 31, 2019 at the registered office of the Company. The said result would also be intimated to the stock exchange where the equity shares of the Company are listed. Additionally, the results will also be uploaded on the website of CDSL at www.evotingindia.com and website of the Company viz. www.irisbusiness.com.
11. The resolution, if passed by the requisite majority, shall be deemed to have been passed on March 29, 2019 i.e. last date specified for receipt of the duly completed postal ballot form or e-voting. All the material documents referred to in accompanying notice and explanatory statement shall be open for inspection at the Registered Office of Company during normal business hours on all working days from the date of dispatch of the Notice up to the last date of voting i.e. Friday, March 29, 2019.

12. Voting through electronic means

- a) In compliance with the provisions of Section 108, 110 of the Companies Act, 2013 read with rules prescribed thereunder, as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations"), the Company is pleased to provide e-voting facility to its members, holding shares in physical or dematerialized form, as on the cut-off date, being Friday, February 22, 2019 to exercise their right to vote by electronic means on the business specified in the accompanying Notice through the electronic voting service facility arranged by CDSL. Members have option to vote either through e-voting or through the Ballot Form. If member casts votes by both modes, then the voting done through e-voting shall prevail and physical Form shall be treated as invalid.
- b) The e-voting period commences at 9.00 a.m. (IST) on Thursday, February 28, 2019 and ends at 5.00 p.m. (IST) on Friday, March 29, 2019. During this period, member(s) of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, February 22, 2019, may cast their vote by e-voting. The e-voting module shall be disabled by CDSL beyond the prescribed date and time for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- c) The process and manner for e-voting are as under:
- (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Click on Shareholders / Members
 - (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Shareholders/ Members holding shares in Physical Form: Enter Folio Number registered with the Company
 - d. Next enter the Image Verification as displayed and Click on "Login"
 - e. If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for any Company/entity, then your existing password is to be used. If you are a first time user, follow the steps given below.

- (iv) Fill up the following details in the appropriate boxes:

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders/ Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent separately to you in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Shareholders/ Members holding shares in physical form will then reach directly the EVSN selection screen. However, member(s) holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat

holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vii) For member(s) holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (viii) Click on the relevant EVSN of IRIS Business Services Limited on which you choose to vote.
 - (ix) On the voting page, you will see Resolutions Description and against the same option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions details.
 - (xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (xii) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
 - (xiii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xiv) If Demat account holder has forgotten the changed login password then enter the User ID and image verification code and click on "Forgot Password" & enter the details as prompted by the system.
 - (xv) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Window phone users can download the app from App Store and Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - (xvi) Institutional shareholders (i.e. other than Individuals, HUF, NRI's etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
 - (xvii) They should e-mail a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - (xviii) After receiving the login details they have to create a Compliance user who would be able to link the account(s) which they wish to vote on.
 - (xix) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - (xx) They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- d. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to Mr. Rakesh Dalvi, Manager, CDSL, at helpdesk.evoting@cdslindia.com or call on toll free no. 1800225533.
- e. The Scrutinizer shall after the conclusion of voting unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than Forty Eight hours of the conclusion of voting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or any other person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- f. The results of the Postal Ballot (including remote e-voting) would be announced by the Chairman or any other person authorized by him in writing by Sunday, March 31, 2019 at the Registered Office of the Company. The said results would be displayed at the Registered Office of the Company, intimated to CDSL and the Stock Exchange where the Company's shares are listed.
- g. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company at www.irisbusiness.com and on the website of CDSL at www.evotingindia.com immediately after the declaration of result.

**EXPLANATORY STATEMENT PURSUANT TO SECTIONS 102 AND 110 OF THE COMPANIES ACT, 2013
READ WITH THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014**

Item No. 1 & 2

Members of the Company by passing the special resolution in their meeting held on September 13, 2017 approved the **IRIS BUSINESS SERVICES LIMITED – EMPLOYEE STOCK OPTION SCHEME 2017 (“IRIS ESOS 2017” / “SCHEME”)** for up to 7,00,000 options to be granted under the scheme exercisable into equal number of equity shares of Rs. 10/- each face value. The shares of the Company listed on BSE Limited, Stock Exchange on October 11, 2017. Pursuant to the Scheme the Nomination and Remuneration Committee of the Board (“NRC”) granted options to the employees in terms of the Scheme at its meeting held on October 9, 2017 at the exercise price of Rs. 32/- per option. As per the Scheme, Employee Stock Options granted under Scheme shall vest not earlier than 1 (One) year and not later than maximum vesting Period of 4 (four) years from the date of grant and that different vesting period may be decided by the NRC for employees at its discretion. The first anniversary for vesting of options granted by the NRC at its meeting held on October 9, 2017 was on October 8, 2018 and further vesting shall fall as per the vesting schedule intimated to the option grantee(s). A total 5,04,500 options become vested on the first anniversary of the grant to be exercised by the employee(s) as per terms of the Scheme out of 5,60,000 outstanding options, which were granted by the NRC.

As per Regulation 12 of the SEBI (Share Based Employee Benefits) Regulations, 2014 (‘SEBI SBEB Regulations’), no company shall make any fresh grant which involves allotment or transfer of shares to its employees under any ESOP Schemes formulated prior to its IPO and prior to the listing of its equity shares (Pre-IPO Scheme) unless (i) such pre-IPO scheme is in conformity with SEBI SBEB Regulations; and (ii) such pre-IPO scheme is ratified by its shareholders subsequent to IPO. Considering that the Company came out with a public issue of its equity shares in October 2017 and its equity shares were listed at BSE on October 11, 2017, IRIS ESOS Scheme 2017 is to be ratified by the shareholders of the Company pursuant to Regulation 12 of the SEBI SBEB Regulations. Accordingly, the ESOP scheme of the Company is placed before the shareholders for their ratification in terms of Regulation 12 of the SEBI SBEB Regulations. The said Scheme is in conformity with the SEBI SBEB Regulations. The outstanding options (including both granted and those under Scheme eligible for re-issue by the Board / Nomination and Remuneration Committee) under the scheme as on date are 7,00,000 options. Disclosure in accordance with Regulation 14 of SEBI SBEB Regulations read with SEBI circular number CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 (as may be amended from time to time) has been provided in Annexure - 2 to the Directors Report of the Company for the financial year ended March 31, 2018, which forms part of Annual Report of the Company for the year 2017-18. The Annual Report of the Company containing the said disclosure is available on the website of the Company at <http://www.irisbusiness.com/investors/annual-report> and also available for inspection at the registered office of the Company.

Therefore in compliance with the Regulation 12 (1) of the SEBI SBEB Regulations read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other instructions or directions issued by the Securities and Exchange Board of India in this reference, it is proposed to seek the approval of members to ratify and confirm the IRIS ESOS 2017 as per item no. 1 of the Postal Ballot notice.

Further, as IRIS ESOS 2017 will entail further issue of shares, consent of the members is required by way of a special resolution pursuant to Section 62(1)(b) of the Companies Act, 2013. Accordingly, the Special Resolution set out at Item No. 1 of this Notice is proposed for approval by members.

The Company may issue options / shares to the employee(s) of the present and future subsidiary(ies) of the Company. Accordingly, consent of shareholders is also sought by way of special resolution to extend the benefits of the Scheme to the employee of present and future employee(s) of subsidiary(ies) of the Company

pursuant to Regulation 6(3) of SEBI SBEB Regulations as per the resolution set out at item no. 2 of the notice of Postal Ballot.

Particulars as required under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and disclosure under Regulation 6(2) of the SEBI (Share Based Employee Benefits) Regulations, 2014 and SEBI Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 (as amended from time to time) are given below:

(i) Brief Description of the Scheme:

The primary objective of Scheme is to reward the key employees for their association, dedication and contribution to the goals of the Company. The Company intends to use this Scheme to attract, retain and motivate key talents working with the Company, its Subsidiaries, present or future, as the case may be, by way of rewarding their high performance and motivate them to contribute to the overall corporate growth and profitability. The Company views Employee Stock Options as long-term incentive tools that would enable the employees not only to become co-owners, but also to create wealth out of such ownership in future.

Accordingly, employees have been granted options by the NRC as per the IRIS ESOS 2017 in terms of the resolution passed by the shareholders and in accordance with SEBI SBEB Regulations 2014. The Company may grant further options under the IRIS ESOS 2017 to present / future employees of the Company or subsidiary(ies). On vesting of options, the eligible Employees earn a right (but not an obligation) to exercise the vested options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon. The IRIS ESOS 2017 shall be implemented and administered directly by the Board or by NRC of the Board by way of new issue of options / shares.

(ii) Total number of Stock options to be granted under the Scheme:

The total number of employee stock options to be granted under IRIS ESOS 2017 shall not exceed 7,00,000 (Seven Lakh) options in one or more tranches, from time to time, exercisable into not more than 7,00,000 (Seven Lakh) fully paid-up equity shares of face value of Rs. 10 (Rupees Ten) each of the Company.

Pursuant to the Scheme, the eligible employees of the Company were granted options by the NRC at its meeting held on October 9, 2017. The first anniversary for vesting of options granted by the NRC at its meeting held on October 9, 2017 was on October 8, 2018 and further vesting shall fall as per the vesting schedule intimated to the option grantee(s). A total of 504500 options become vested on the first anniversary of the grant to be exercised by the employee(s) into equal number of equity shares of Rs. 10/- each.

Options lapsed, surrendered or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the employees/ Directors or otherwise, would be available for being re-granted at a future date. The Board (which term deems to include the "Nomination and Remuneration Committee" of the Board as per terms of the Scheme) is authorized to re-grant such lapsed / cancelled options as per the IRIS ESOS 2017.

In case of any corporate action (s) such as rights issues, stock split, bonus issues, merger and sale of division and others, a fair and reasonable adjustment will be made to the options granted. Accordingly, if any additional equity shares are required to be issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of options/ equity shares as aforesaid shall be deemed to increase to the extent of such additional equity shares issued.

(iii) Identification of classes of employee(s) entitled to participate in the Scheme:

All present / future permanent employees of the Company and those of the subsidiaries and the whole-time or executive Directors (hereinafter referred to as "employees") of the Company (present or in future), working in or out of India, shall be eligible subject to determination or selection by the Board / Nomination and Remuneration Committee.

However, following classes of employees/ Directors shall not be eligible who are:

- a. Independent Directors;
- b. Promoters or persons belonging to promoter group; and

- c. Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

(iv) Appraisal process for determining the eligibility of employees to Employee Stock Option Scheme:

The options shall be granted to the employees as per performance appraisal system of the Company or where the Nomination and Remuneration Committee may determine the eligibility criteria for the employees under the IRIS ESOS 2017 based on their evaluation on various parameters, such as length of service, grade, performance, technical knowledge, leadership qualities, merit, contribution and conduct, future potential, etc., and such other factors as may be deemed appropriate by it.

(v) Transferability of Employee Stock Options:

The options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the option grantee, the right to exercise all the options granted to him till such date shall be transferred to his legal heirs or nominees.

(vi) Requirement of vesting and period of vesting:

The options granted under Scheme shall vest not earlier than 1 (one) year and not later than maximum vesting period of 4 (four) years from the date of grant and that different vesting period may be decided by the Nomination and Remuneration Committee (NRC) for employees at its discretion.

The options granted shall vest so long as the employee continues to be in the employment of the Company/Subsidiary, as the case may be. The NRC may, at its discretion, lay down certain performance metrics on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which options granted would vest (subject to the minimum and maximum vesting period as specified above).

Vesting of options in case of Employees on long leave - The period of leave shall not be considered in determining the vesting period in the event the employee is on a sabbatical. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the vesting period unless otherwise determined by the NRC.

(vii) The maximum period within which the options shall be vested:

The options granted shall vest in not more than 4 (four) years from the date of grant of such options.

(viii) Exercise price or the formula for arriving at the same:

The exercise price per option shall be determined by the Nomination and Remuneration Committee ("NRC") being not lesser than the face value of the share underlying such option as on date of Grant. For existing grants to the employee under the Scheme, the exercise price was fixed as Rs. 32/- per option by the NRC.

(ix) Exercise period and process of exercise:

In case of continuation of employment, exercise period in respect of an option shall commence after vesting of such option or date of listing of shares of the Company, whichever is later and shall expire at the end of 5 (five) years from date of vesting. The Nomination and Remuneration Committee may determine the exercise period at the time of grant of options to the employee subject to the ceiling specified in this clause.

In case of cessation of employment due to any reason, shorter exercise periods have been respectively prescribed in the Scheme.

The options will be exercisable by the employees by a written application to the Company to exercise the options in such manner, and on execution of such documents, as may be prescribed by the Board / NRC from time to time. The options will lapse if not exercised within the specified exercise period.

(x) Lock in Period:

The shares issued pursuant to exercise of options shall not be subject to any lock-in period restriction except such restrictions as may be prescribed under any policy of the Company on disposal of Company securities and provisions of applicable laws or as prescribed in the Scheme.

(xi) Maximum number of options to be granted per employee and to aggregate:

The maximum number of options that may be granted to each employee shall vary depending upon the designation and the appraisal/assessment process, however shall not exceed twenty percent of total options under the Scheme per eligible employee and shall be within the limit(s) prescribed under the Companies Act, 2013 and SEBI (Share Based Employee Benefits) Regulations, 2014. However, the Nomination and Remuneration Committee reserves the right to decide the number of options to be granted and the maximum number of options that can be granted to each employee within this ceiling.

Prior approval of shareholders by way of special resolution in the general meeting shall be obtained in case the grant of options to any identified employee is equal to or exceeding 1% (one percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of option.

(xii) Maximum quantum of benefits to be provided per employee under the Plan:

The maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the market price of the shares as on the date of exercise.

(xiii) Whether Scheme is to be implemented and administered directly or through a trust

The implementation and administration of the Scheme shall be done directly without any trust. However, Company may subject to compliance with applicable laws, administer the Scheme through trust route in case decided in future.

(xiv) Whether the Scheme involves new issue of shares or secondary acquisition or both:

The Scheme contemplates new issue only.

(xv) Amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.:

Not applicable as no trust route is contemplated.

(xvi) Maximum percentage of secondary acquisition:

Not applicable.

(xvii) Method which the Company shall use to value its options

To calculate the employee compensation cost, the Company shall use the Fair Value Method for valuation of the options granted. However, the Company may adopt Intrinsic Value Method in future in case required under the applicable laws.

(xviii) The condition under which option vested in employees may lapse:

The vested options shall lapse in case of termination of employment due to misconduct or due to breach of Company policies or the terms of employment. Further, irrespective of employment status, in case vested options are not exercised within the prescribed exercise period, then such vested options shall lapse. The Nomination and Remuneration Committee shall, in accordance with this Scheme and applicable laws, determine the conditions under which options vested in employees may lapse in case of termination of employment for misconduct.

(xix) The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employees:

(a) Termination other than due to misconduct

In case of resignation/ termination (other than due to misconduct) prior to listing of shares, all the vested options as on that date can be exercised by the employee only within the time period that shall be notified by the Board in connection with listing of shares (i.e. initial public offer) of the Company and in such manner as prescribed in the Scheme. In case of failure to exercise the option by the option grantee within the period notified by the Board, such options shall immediately lapse. Further for the period between the date of issue of notice intimating the period to the option grantee and the completion of such Listing (i.e. Initial Public Offer), in case an option grantee ceases to be in employment/ service of the Company (including by reason of death or retirement) or subsidiary as the case may be, such options shall immediately lapse and such option grantee shall have no recourse over such lapsed options. All the unvested options on the effective date of resignation /date of termination shall stand cancelled with effect from that date.

In case of resignation/ termination (other than due to misconduct) after listing of shares, the vested options can be exercised by the employee by his/her last working day in the Company.

(b) Termination due to Misconduct

All the vested options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination.

All the unvested options on the date of such termination shall stand cancelled with effect from termination date.

(xx) Disclosure and conformation with Accounting Policies:

The Company shall comply with the disclosure and the accounting policies prescribed as per prevailing accounting guidelines and accounting policies, accounting standard(s) and disclosure requirements as prescribed under Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

(xxi) Declaration:

In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Options shall be disclosed in the Directors Report and the impact of this difference on profits and on earnings per share (EPS) of the company shall also be disclosed in the Directors' report.

The Options to be granted under ESOS 2017 shall not be treated as an offer or invitation made to public for subscription of securities of the Company. The IRIS ESOS 2017 conforms to the (Share Based Employee Benefits) Regulations, 2014.

The Board of Directors recommends the Special Resolution(s) as set out at item no. 1 and 2 of the Notice.

A copy of the IRIS ESOS 2017 and the documents referred to in this notice are available for inspection at the Company's Registered Office during official hours on all working days till the date of closing of voting on the Postal Ballot i.e. by Friday, March 29, 2019.

None of the Directors or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested in these resolution, except to the extent of the securities that may be offered to them under the Scheme.

By Order of the Board
For **IRIS Business Services Limited**

Place: Vashi
Date: February 23, 2019

Jay Mistry
Company Secretary & Compliance Officer



IRIS Business Services Limited

Regd. Office: T-231, Tower 2, 3rd Floor, International Infotech Park, Vashi Station, Vashi – 400703, Maharashtra,

CIN: L72900MH2000PLC128943

Tel No. +91 22 6723 1000; Fax: +91 22 2781 4434

Website: www.irisbusiness.com; E-mail: cs@irisindia.net

Notice of Postal Ballot

Sr. No.:

1.	Name and address of the sole/first named shareholder as registered with the Company	:	
2.	Name(s) of the joint shareholder(s), if any, registered with the Company	:	
3.	Registered Folio No./ DP ID No./Client ID No. (Applicable to investor holding shares in dematerialized form)	:	
4.	Number of Share(s) held	:	

I/We hereby exercise my/our vote in respect of the Resolutions as proposed to be passed through Postal Ballot for the businesses as stated in the Notice dated February 23, 2019 by conveying my/our assent or dissent to the said resolutions by placing the tick (✓) mark in the appropriate box below:

Sr. No	Description	No. of share(s) for which vote cast	I / We assent to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
1	Ratification of 'IRIS Business Services Limited Employee Stock Option Scheme 2017 ("IRIS ESOS 2017")			
2	Approval of IRIS Business Services Limited Employee Stock Option Scheme 2017 for the eligible employees of subsidiary company(ies) of the company			

Place:

Date:

(Signature of Member)

Note: Please read carefully the instructions printed overleaf before exercising the vote.

ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence Number (EVSN)	USER ID	Default PAN / Sequence Number
190225011		

INSTRUCTIONS FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT

1. A Member desirous of exercising vote by Postal Ballot should complete this Postal Ballot Form (no other form will be permitted) in all respects and send it to the Scrutinizer in the attached postage pre-paid self-addressed envelope. However, envelope containing Postal Ballot Form, if sent by registered post / courier at the expense of the Member or if deposited with the Company in person will also be accepted.
2. The Postal Ballot Form should be completed and signed by the Member (as per specimen signature registered with the Company / furnished by the Depositories). In case, shares are jointly held, this form should be completed and signed by the first named Member and, in his/her absence, by the next named Member. Holder(s) of Power of Attorney ("PoA") on behalf of a Member may vote on the Postal Ballot mentioning the Registration No. of the PoA with the Company or enclosing a copy of the PoA authenticated by a Notary.
3. In case of shares held by corporate or institutional shareholder (i.e. companies, societies etc.) the duly completed Postal Ballot Form should be accompanied by a Certified Copy of the Board Resolution/ appropriate letter of authorization giving the requisite authority to the person voting on the Postal Ballot Form.
4. The postage pre-paid self-addressed envelope bears the name and postal address of the Scrutinizer appointed by the Board of Directors of the Company.
5. Incomplete, unsigned, improperly or incorrectly tick marked Postal Ballot Forms will be rejected.
6. The Members holding Equity Shares in dematerialized form are advised, in their own interest, to get their signatures verified by their Bankers / Depository Participants (DP). The signature should be verified by the Banker/DP by affixing a rubber stamp / seal mentioning name and address of the Banker / DP and name, stamp and signature of the Authorized Signatory.
7. The Members are requested not to send any document (other than the Resolution/Authority Letter as mentioned above) along with the Postal Ballot Form in the enclosed postage pre-paid self-addressed envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous matter be found in such envelope, this will not be considered and would be destroyed by the Scrutinizer.
8. The duly completed and signed form (no other form or photocopy thereof is permitted) should reach the Scrutinizer on or before 5.00 p.m. (IST) on Friday, March 29, 2019. The Postal Ballot Form(s) received after the stipulated day and time will be strictly treated as if no reply has been received from the Member.
9. The Postal Ballot shall not be exercised by a Proxy.
10. The Scrutinizer's decision on the validity of the Postal Ballot will be final.