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IRIS Business Services Limited Employee Stock Option Plan 2023

**\\Certified true copy\\
For IRIS Business Services Limited**

A handwritten signature in blue ink, appearing to read "Santoshkumar", with a horizontal line underneath.



Santoshkumar Sharma
Company Secretary & Compliance Officer
Membership No.: A35139
Navi Mumbai | February 29, 2024



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1. Name, Objective and Term of the Plan

- 1.1 This Employee Stock Option Plan shall be called **IRIS Business Services Limited - Employee Stock Option Plan 2023** (“ESOP 2023” / “Plan” / “Scheme”).
- 1.2 The objective of ESOP 2023 is to reward the Employees for association, dedication and contribution to the goals of the Company. The Company intends to use this Plan to attract and retain key talents working with the Company and its Subsidiary Companies by way of rewarding their performance and motivating them to contribute to the overall corporate growth and profitability. The Company views Employee Stock Options as instruments that would enable the Employees to get a share in the value they create for the Company in years to come.
- 1.3 ESOP 2023 is established with effect from February 16, 2024 on which the Shareholders have approved the Plan by way of a special resolution and shall continue to be in force until earlier of:
 - i. The date on which all the Employee Stock Options available for issuance under ESOP 2023 have been granted and exercised; or
 - ii. Termination by the Board, or a duly constituted Compensation Committee/Nomination and Remuneration Committee, by whatever name called, in accordance with Regulation 5 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SEBI SBEB Regulations**”) as per provisions of Applicable Laws;

Thus, all the Employees meeting the eligibility criteria as may be determined by the Nomination and Remuneration Committee from time to time and who join the Company and / or its Subsidiary Companies would also be entitled to the benefit under Plan.
- 1.4 The Board of Directors or the Nomination and Remuneration Committee of Board, as authorised, may, subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate ESOP 2023.
- 1.5 The Board of Directors or the Committee shall implement ESOP 2023 directly. The Board of Directors of the Committee may implement the scheme by setting up an irrevocable trust, and shall be permitted to alter the mode of implementation of the scheme, subject to a fresh approval of the shareholders by a special resolution being obtained prior to implementing such a change and where such change is not prejudicial to the interests of the employees.
- 1.6 ESOP 2023 intends to grant benefits to its employees by granting Employee Stock Options and does not to cover any specific benefit viz Stock Appreciation Rights Scheme, General Employee Benefit Scheme or Retirement Benefit Scheme.

2. Definitions and Interpretation

2.1 Definitions

- a) “**Agreement**” means the Employee Stock Option Agreement, if any, entered in to between the Company and Employee, evidencing the terms and conditions of Options granted under ESOP 2023. The Agreement is subject to the conditions of ESOP 2023.
- b) “**Applicable Law**” means every law relating to Employee Stock Options, to the extent applicable, including and without limitation to the Companies Act, 2013, Companies



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(Share Capital and Debenture) Rules, 2014, Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992, SEBI SBEB Regulations, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), as amended and re-enacted from time to time and includes any clarifications or circulars issued there under and all relevant tax, securities, exchange control or corporate laws of India, or amendments thereof or of any relevant jurisdiction or of any Recognised Stock Exchanges on which the shares of the Company are listed or quoted.

- c) “**Associate Company**” shall have the same meaning as defined under section 2(6) of the Companies Act, 2013
- d) “**Board**” means the Board of Directors of the Company.
- e) “**Companies Act**” means the Companies Act, 2013 and rules made thereunder and include any statutory modifications or re-enactments thereof.
- f) “**Company**” means “IRIS Business Services Limited (CIN: L72900MH2000PLC128943), a company incorporated under the provisions of the Companies Act, 1956, having its present registered office situated at T-231, Tower 2, 3rd Floor, International Infotech Park, Vashi, Navi Mumbai – 400 703.
- g) “**Company Policies / Terms of Employment**” means the Company’s policies for employees and the terms of employment as contained in the employment letter / contract / Company intranet and the Company handbook, which includes requiring a desired level of performance and/or provisions for securing confidentiality, non-compete and non-poaching of other Employees and customers. Policies / Terms of Employment of the Subsidiary Company as regard an Option Grantee on the payrolls of such Subsidiary Company shall be deemed to be “Company Policies / Terms of Employment” for such Option Grantee.
- h) “**Compensation Committee**” means the Nomination and Remuneration Committee constituted by the Board of Directors of the Company from time to time, by whatever name called, as per the requirements of Applicable Laws, to administer and supervise ESOP 2023 and other employee benefit plans, if any, comprising of such members of the Board as provided under Section 178 of the Companies Act read with Regulation 19 of the SEBI Listing Regulations, as amended from time to time, and having such powers as specified under the SEBI SBEB Regulations read with powers specified in this ESOP 2023.
- i) “**Death**” for the purpose of this Plan shall mean Death of an Employee during the continuance of employment or service, which shall not include Death due to suicide and any other reason(s) specified, if any, under the human resource policy of the Company
- j) “**Director**” means a member of the Board of the Company duly appointed in accordance with Section 2(34) of the Companies Act, 2013.
- k) “**Eligibility Criteria**” means the criteria as may be determined from time to time by the Compensation Committee for granting the Employee Stock Options to the employees under ESOP 2023.
- l) “**Employee**” means:
 - (i) An employee as designated by the Company, who is exclusively working in India or outside India; or



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- (ii) a Director of the Company, whether whole time or not, including a non-executive director who is not a Promoter or member of the Promoter Group; or
- (iii) an employee as defined in sub clauses (i) or (ii), of a Group Company including Subsidiary Company or its Associate Company, in India or outside India, or of a Holding Company;

but excludes

- (i) an Employee who is a Promoter or belongs to the Promoter Group;
 - (ii) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the issued and subscribed Shares of the Company; and
 - (iii) an Independent Director.
- m) **“Employee Stock Option”** means the option granted to an Employee, which gives such Employee the right, but not an obligation, to purchase at a future date, the Shares underlying the option at a pre-determined price.
 - n) **“Equity Shares”** means fully paid-up Equity Shares of the Company having a face value of Rs.10/- (Rupees Ten Only) each.
 - o) **“ESOP 2023”** means the Employee Stock Option Plan 2023 under which the Company is authorised to grant Employee Stock Options to the Employees.
 - p) **“Exercise”** means making of an application by an Employee to the Company for issue of Equity Shares, against Vested Options in pursuance of the ESOP 2023, in accordance with the procedure laid down by the Company for such exercise.
 - q) **“Exercise Application”** means the application letter, in a form decided by the Company, for the purpose of enabling the Option Holder to apply to the Compensation Committee along with a cheque/demand draft in respect of the Exercise Price, during the Exercise Period, for exercising the Vested Options.
 - r) **“Exercise Period”** means such time period, after Vesting, within which the Employee should exercise his right to apply for shares against the Options granted to him/her in pursuance of the ESOP 2023.
 - s) **“Exercise Price”** means the price payable by an Employee in order to exercise the Options granted to him in pursuance of the ESOP 2023.
 - t) **“Grant”** means the process by which the Company issues Options to its Employees under the ESOP 2023.
 - u) **“Grant date”** means the date on which the Compensation Committee approves the grant. For accounting purposes, the grant date will be determined in accordance with applicable accounting standards.
 - v) **“Grant Letter”** means the formal communication in writing as regards Grant made by the Company to the Employee containing specific details including the terms and conditions of the Options.
 - w) **“Group” or “Group Company”** means two or more companies which, directly or indirectly, are in position to-



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- (i) Exercise twenty-six percent, or more of the voting rights in the other company; or
 - (ii) Appoint more than fifty percent, of the members of the board of directors in the other company; or
 - (iii) Control the management or affairs of the other company
- x) **“Holding Company”** means any present or future holding Company as defined under section 2(46) of the Companies Act.
- y) **“Insider”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- z) **“Insider Trading Regulations”** means the SEBI (Prohibition of Insider Trading) Regulations, 2015, and any amendment thereof from time to time and any insider trading regulations applicable to a Participant in any other jurisdiction.
- aa) **“Independent Director”** means a Director within the meaning of Section 149(6) of the Companies Act read with Regulation 16(1)(b) of the SEBI Listing Regulations, as amended.
- bb) **“Market Price”** means the latest available closing price on the Stock Exchange on which the Shares of the Company are listed, immediately prior to the Relevant Date.
- Explanation-** If Shares are listed on more than one Stock Exchange, then the closing price of the Shares on the Stock Exchange having higher trading volume shall be considered as the Market Price.
- cc) **“Misconduct”** means any of the following acts or omissions by an Employee in addition to any provisions prescribed in the offer or Terms of Employment amounting to violation or breach of Terms of Employment, as determined by the Committee after giving the Employee and opportunity of being heard:
- i. committing of any act warranting summary termination under law; or
 - ii. conduct which in the reasonable opinion of the Committee amounts to a serious breach by an option Grantee of the obligation of trust and confidence to his employer; or
 - iii. a finding by the Committee that an Employee has committed any material or consistent breach of any of the terms or conditions of Employee service agreement including any willful neglect of or refusal to carry out any of his duties, or to comply with any instruction given to him by the Committee; or
 - iv. being convicted of any criminal offence; or
 - v. being disqualified from holding office in the Company or any other company under any legislation or being disqualified or disbarred from membership of, or being subject to any serious disciplinary action by, any regulatory body within the industry, which undermines the confidence of the Committee in the individual’s continued employment; or
 - vi. having acted or attempted to act in any way which in the opinion of the Committee has brought or could bring the Company or any other Group member into disrepute or discredit;
 - vii. breach or violation of any Company Policies/ Terms of Employment; and



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- viii. Any other reason not included above but defined as misconduct in the Company's rules or Employee handbook and / or employment agreement and/or appointment letter.
- dd) **“Merchant Banker”** means a merchant banker as defined under Regulation 2(1)(cb) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, which is registered under section 12 of the Securities and Exchange Board of India Act, 1992;
- ee) **“Option”** or **“Stock Option”** means Employee Stock Option within the meaning of this Plan.
- ff) **“Option Grantee”** or **“Grantee”** means an Employee who has been granted a right, but not an obligation to exercise an Employee Stock Option in pursuance of the ESOP 2023 and deemed to include a beneficiary being the legal heir or nominee of such Option Grantee upon his eventual death while in employment or service as provided in this Plan.
- gg) **“Permanent Incapacity”** means any incapacity of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Compensation Committee based on a certificate of a medical expert identified by the Company.
- hh) **“Promoter”** shall have the same meaning as assigned to the term under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**“SEBI ICDR Regulations”**).
- ii) **“Promoter Group”** shall have the same meaning assigned to the term under the SEBI ICDR Regulations.
- Provided that** where the Promoter or Promoter Group of the Company is a body corporate, the Promoters of that body corporate shall also be deemed to be Promoters of the Company.
- jj) **“Plan”** or **“Scheme”** means ESOP 2023 within the meaning of this Employee Stock Option Plan 2023.
- kk) **“Retirement”** means retirement as per the rules of the Company or any of its direct or indirect Subsidiary Company.
- ll) **“Recognised Stock Exchange”** or **“Stock Exchange”** means National Stock Exchange of India Limited (**“NSE”**), BSE Limited (**“BSE”**), or any other recognised stock exchange in India on which the Company's Shares may be listed in future.
- mm) **“Relevant Date”** means any of the following dates as the context requires:
- (i) in the case of Grant, the date of the meeting of the Compensation Committee on which the Grant is made; or
- (ii) in the case of Exercise, the date on which the notice of Exercise is given to the Company by the Option Grantee
- nn) **SEBI** means the Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992, as amended.



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- oo) “**SEBI (SBEB) 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.
- pp) “**Secretarial Auditor**” means a company secretary in practice appointed by a company under rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 to conduct secretarial audit pursuant to regulation 24A of the SSEBI Listing Regulations.
- qq) “**Shares**” means Equity Shares of the Company within the meaning of this Scheme.
- rr) “**Subsidiary**” means a subsidiary of the Company as per the definition under Section 2 (87) of the Companies Act, 2013.
- ss) “**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.
- tt) “**Vesting**” means the process by which the employee becomes entitled to receive grant in pursuance of the ESOP 2023.
- uu) “**Vesting Condition**” means any condition subject to which the Options granted would vest in an Option Grantee.
- vv) “**Vesting Period**” means the period during which the vesting of the Employee Stock Option granted to the Employee, in pursuance of ESOP 2023 takes place.
- ww) “**Vested Option**” means an Option in respect of which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible to exercise the Option.

2.2 Interpretation

In this Plan, unless the contrary intention appears:

- a) The headings/ sub-headings/ titles/ subtitles are only for the sake of convenience and shall not be interpreted to restrict or otherwise affect the meaning or import of the clauses, which shall be interpreted solely in light of the contents thereof;
- b) a reference to a clause number is a reference to its clauses;
- c) words in singular number include the plural and vice versa;
- d) Unless the context otherwise requires, words denoting the masculine gender shall include the feminine gender and words denoting singularity shall include the plural and vice versa.;
- e) Any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in visible form

Words and expressions used and not defined herein but defined in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Companies Act, 2013 (18 of 2013), and any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislations.



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3. Authority

3.1 The Nomination and Remuneration Committee and the Board at their respective meetings held on December 01, 2023 and the Shareholders of the Company by way of special resolution dated February 16, 2024, resolved to issue to the Employees under ESOP 2023, not exceeding 9,75,000 (Nine lakh and seventy-five thousand) Employee Stock Options convertible into not more than 9,75,000 (Nine lakh and seventy-five thousand) Equity Shares having a face value of Rs.10/- (Rupees Ten Only) each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Equity Share of the Company, in accordance with the terms and conditions of such issue, in compliance with the SEBI (SBEB) Regulations.

3.2 The maximum number of Options that shall be granted to each Employee shall vary depending upon the designation and the appraisal / assessment process, the Compensation Committee reserves the right to decide the number of Options to be granted; however the maximum number of Options that can be granted to each Employee shall be within this ceiling as mention under clause 3.1.

3.3 Where Shares are allotted consequent upon Exercise of an Employee Stock Option under ESOP 2023, the maximum number of Shares that can be allotted under ESOP 2023 as referred to in clause 3.1 above shall stand reduced to the extent of such Shares allotted. This scheme shall be valid till such time all the Options granted under the scheme have been exercised or till such other time determined by the Compensation Committee.

3.4 If an Option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options pool and shall become available for future grants, subject to compliance with the provisions of the Applicable Laws.

3.5 In case of a consolidation, if the revised face value of the Share is more than the current face value as prevailing on the date of coming into force of this Plan, the maximum number of Shares available for being granted under the Plan as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (No. of Shares X Face value per Share) prior to such consolidation remains unchanged after such consolidation. Thus, for example, if the prevailing face value of each Share is Re. 1 per Share and the revised face value after the Share consolidation is Rs. 2 per Share, the total number of Shares available under the Plan would be (Shares reserved at Clause 3.1/ 2) Shares of Rs. 2 each.

3.6 In case of a sub-division, if the revised face value of the Share is less than the current face value as prevailing on the date of coming into force of this Plan, the maximum number of Shares available for being granted under the Plan as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (No. of Shares X Face value per Share) prior to such Share split remains unchanged after such Share split. Thus, for example, if the prevailing face value of each Share is Rs. 10 per Share and the revised face value after the Share split is Rs. 5 per Share, the total number of Shares available under the Plan would be (Shares reserved at Clause 3.1 x 2) Shares of Rs. 5 each.

3.7 In case of Bonus issue by the Company, the number of Options issued to the Option Grantee shall get adjusted. For example, if a company issues bonus in the ratio of



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3:2, then each Option Grantee is entitled to receive 3 Options for every 2 Options held by them. An Option Grantee with 1,000 Options receives 1,500 bonus shares ($1000 \times 3 / 2 = 1500$).

- 3.8 Prior approval of the shareholders of the Company in the general meeting by passing special resolution shall be obtained in case the Grant of the Options to any identified Employee, in any one financial year, 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 the Option.

4. Administration

- 4.1 ESOP 2023 shall be administered by the Compensation Committee. All questions of interpretation of ESOP 2023 shall be determined by the Compensation Committee and such determination shall be final and binding upon all persons having an interest in ESOP 2023.
- 4.2 Neither the Compensation Committee nor any of its members shall be liable for any actions taken in good faith for the implementation of ESOP 2023.
- 4.3 The Compensation Committee shall in accordance with this Plan and applicable laws, determine the following:
- a. the Eligibility Criteria for grant of Employee Stock Options to the Employees;
 - b. the quantum of Employee Stock Options to be granted under ESOP 2023 per Employee, subject to ceiling specified in clause 3.2;
 - c. the conditions under which options may vest in employees and may lapse in case of termination of employment for misconduct;
 - d. the exercise period within which the employee can exercise the options and that options would lapse on failure to exercise the same within the exercise period;
 - e. the specified time period within which the employee shall exercise the vested options in the event of termination or resignation;
 - f. the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
 - g. the procedure for making a fair and reasonable adjustment in case of corporate actions such as merger, sale of division, stock split, stock consolidation, rights issues, bonus issues and others. For the same, the Compensation Committee shall consider that:
 - i. the number and price of options shall be adjusted in a manner such that total value to the employee of the options remains the same after the corporate action
 - ii. the vesting period and the life of the options / SARs shall be left unaltered as far as possible to protect the rights of the employee(s) who is granted such options / SARs;
 - h. the procedure for Vesting in case of termination of employment or resignation, if required;
 - i. the procedure for buy-back of the Options granted under the ESOP 2023, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:
 - permissible sources of financing for buy-back,



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- any minimum financial thresholds to be maintained by the Company as per its last financial statements, and
 - limits upon quantum of Options that the Company may buy-back in a financial year;
 - j. the procedure for funding for exercise of Options, as permitted under the Applicable Laws; and
 - k. approve forms, writings and / or agreements for use in pursuance of the ESOP 2023.
- 4.4 The Company has framed policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the Company, Subsidiary Company, and the Employees, as applicable. The Option Grantees shall adhere to such policies and procedures in respect to exercise of options under the Scheme.

5. Eligibility and Applicability

- 5.1 Only the Employees within the meaning of this Plan are eligible for being granted Stock Options under ESOP 2023. The specific Employees to whom the Stock Options would be granted and their Eligibility Criteria would be determined by the Compensation Committee at its own discretion, including, but not limited to the date of joining of the Employee with the Group, grade of the Employee, performance evaluation, contribution towards strategic growth, contribution to team building and succession, period of service with the Group, criticality or any other criteria, as the Compensation Committee determines. The appraisal process for determining the eligibility shall be decided from time to time by the said Committee.
- 5.2 The Plan shall be applicable to the Company, its Subsidiary Companies in India or outside India, and any successor company thereof and may be granted to the Employees and Directors of the Company, that of its Subsidiary Companies, as determined by the Compensation Committee at its own discretion.

Provided that in case of any Grant of Option to the Employees of Holding or its Subsidiary, prior approval of the Shareholders shall be obtained in the form of a special resolution, as per provisions of the Applicable Laws.

6. Grant and Acceptance of Grant

6.1 Grant of Options

Each Grant under ESOP 2023 shall be made in writing by the Company to the eligible Employees fulfilling the Eligibility Criteria in its letter of Grant as may be approved under ESOP 2023 from time to time.

6.2 Acceptance of the Grant

- a. Any Employee who wishes to accept the Grant made under ESOP 2023 must deliver to the Company a duly signed acceptance of the letter of Grant on or before the date (“Closing Date”) which shall not be more than 60 (Sixty) days from the date of the Grant, as specified in the letter of Grant. On receipt by the Company of the signed acceptance, the Employee will become an Option Grantee.
- b. Any Employee who fails to deliver the signed acceptance of the letter of Grant on or



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before the Closing Date stated above shall be deemed to have rejected the Grant unless the Compensation Committee determines otherwise.

- c. Upon acceptance of the Grant in the manner described above, the Employee henceforth as a Grantee, shall be bound by the terms, conditions and restrictions of ESOP 2023 and the Grant document. The Grantee's acceptance of the Grant of Options under ESOP 2023, within the time period provided, shall constitute an agreement between the Grantee and the Company as to the terms of this ESOP 2023 and the Grant document.

7. Vesting Schedule and Vesting Conditions

- 7.1 Options granted under this Plan would vest not earlier than minimum vesting period of 1 (One) year and not later than maximum vesting period of 4 (Four) years from the date of the grant of such Options.
- 7.2 The Compensation Committee shall determine the exact proportion in which and the exact period over which the options would vest at the time of Grant of Options to an Employee, subject to the minimum and maximum vesting period stipulated in clause 7.1.
- 7.3 Vesting of the Options would be subject to continued employment with the Company, Subsidiary Company and the Employee should not have served any notice of resignation. The Options would vest on completion of the vesting period. In addition to the continuation of employment / services, the Options shall vest subject to the achievement of the Vesting Conditions which shall be similar as disclosed in the explanatory statement to the notice of the general meeting of the Company. Apart from that, the Compensation Committee may also specify certain performance parameters, detailed terms and conditions relating to such performance based vesting and the proportion in which the options granted would vest.
- 7.4 In the event of retirement of an Option Holder, he will continue to hold all Vested Options and can Exercise them anytime within the Exercise Period. All Unvested Options shall continue to vest as per the Company Policy.
- 7.5 The cessation of employment due to retirement or superannuation shall not be covered under clause 7.3 , and such options granted to an employee would continue to vest in accordance with the respective vesting schedules even after retirement or superannuation.
- 7.6 The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document(s) given to the Option Grantee at the time of grant of Options.

8. Exercise

8.1 Exercise Price:

- a. The Exercise Price shall be decided by the Committee as allowed under the SBEB Regulations as and when applicable to the Company which shall in no case be lesser than the face value of the equity shares. The specific Exercise Price shall be intimated to the Option Grantee in the Grant Letter issued at the time of Grant.
- b. Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company or by any other payment methods prevalent in RBI recognized banking channels or in such other manner and subject to such procedures as the Compensation Committee may decide, except in cash.



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- c. No amount shall be required to be paid by the option grantee at the time of grant or during the vesting period. The employee shall only make payment at the time he/she submits application for exercising his/her Options. Accordingly, no amount is required to be forfeited even if an employee does not exercise the options within exercise period and hence, no adjustment is required to be made for the same.

8.2 Exercise Period:

a. While in employment:

- i. The Exercise period would commence from the date of vesting and will expire on completion of **5 (Five) years** from the date of respective vesting or such other period as may be decided by the Compensation Committee, from time to time.
- ii. For the duly completed and valid exercise applications received up to the end of each month, the Company shall allot Equity Shares in a dematerialised mode, by the end of the subsequent month.
- iii. The Vested options shall be exercisable by the employees by a written application to the Company expressing his/ her desire to exercise such options in such manner and on such format as may be prescribed by the Committee from time to time. The options shall lapse if not exercised within the specified exercise period.
- iv. The employee may exercise options vested in him/her all at once or in various tranches at various points of time within the exercise period.

b. Exercise Period in case of separations:

Subject to the maximum Exercise Period approved from the date of vesting of the Options, the Options can be exercised as per provisions outlined below:

S. No.	Separations	Vested Options	Unvested Options
1.	Resignation / termination (other than due to Misconduct)	All the Vested Options as on the date of submission of resignation may be exercised by the Option Grantee on or before last working day.	All Unvested Options on the date of submission of resignation / termination shall stand cancelled with effect from that date.
2.	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 Unvested Options on the date of such termination shall stand cancelled with effect from the termination date.
3.	Retirement / Early Retirement as approved	All Vested Options can be Exercised by the Employee within 6 months from the date of retirement/early retirement of the Employee unless otherwise determined by the Compensation Committee. All Vested Options can be	All Unvested Options will continue to vest as per the respective vesting schedule after retirement or early retirement in accordance with Company's Policy and Applicable Law.



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		Exercised within 180 days from the date of resignation/termination of the Employee.	
4.	Death	All Vested Options may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than 1 (One) year from the date of Death.	All the Unvested Options as on the date of death shall vest immediately and may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than 1 (One) year from the date of Death.
5.	Permanent Incapacity	All Vested Options may be exercised by the Option Grantee or, if the Option Grantee is himself, unable to exercise due to such incapacity, the nominee or legal heir or holder of POA, immediately after, but in no event later than 1 (One) year from the date of such incapacity.	All the Unvested Options as on the date of such Permanent Incapacity shall vest immediately and can be exercised by the Option Grantee or, if the Option Grantee is himself unable to exercise due to such incapacity, the nominee or legal heir or holder of POA immediately after, but in no event later than 1 (One) year from the date of such incapacity.
6.	Other reasons apart from those mentioned above in case of separation	The Compensation Committee shall decide whether the Vested Options as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All Unvested Options on the date of separation shall stand cancelled with effect from that date.

8.3 The Options shall be deemed to have been exercised when an Employee makes an application in writing and payment of exercise price to the Company or by any other means as decided by the Compensation Committee, for the issuance of the Equity Shares against the Options vested in him, subject to the Applicable Laws.

8.4 The Options not exercised within the Exercise Period shall lapse and the Employee shall have no right over such lapsed or cancelled Options.

8.5 In the event of transfer of an Option Grantee from the Company to the Subsidiary Company, the unvested options as on the date of transfer, will continue to vest as per the original vesting schedule and capable of being exercised by the Option Grantee subject to the compliance with the Applicable Laws.



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9. Lock-in

- 9.1 The Shares issued upon exercise of the Options shall be freely transferable and shall not be subject to any lock-in period restriction after such allotment and credit to the respective demat account has been made. However, the same shall be subject to such restrictions including, but not limited to sale, transfer or pledge, as maybe prescribed under Applicable Laws including the Company's Code of Conduct to regulate, monitor and report trading by Insiders, under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended.

10. Exit route in case of de-listing

- 10.1 If the Company gets de-listed from all the Recognised Stock Exchanges, then the Board shall have the powers to set out the terms and conditions for the treatment of the Vested Options and the Unvested Options in due compliance of the Applicable Laws.

11. Other Terms and Conditions

- 11.1 The Employee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a Shareholder in respect of the Employee Stock Options granted, till Shares underlying such Employee Stock Options are allotted by the Company on exercise of such Employee Stock Options.
- 11.2 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Company (for example, bonus shares, rights shares, dividend, voting, etc.) in respect of any Options / Shares covered by the Grant unless the Option Grantee Exercises the Employee Stock Option and becomes a registered holder of the Shares of the Company.
- 11.3 The Employee Stock Option shall not be pledged, hypothecated, mortgaged or otherwise alienated by the employee in any other manner.
- 11.4 If the Company issues bonus shares or rights shares, the Option Grantee shall not be eligible for the bonus or rights shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with clause 3.7 read with 4.3 of ESOP 2023.
- 11.5 Employee Stock Options shall be personal to the Option Grantee and shall not be transferable to any person except in the event of death or certain events of permanent incapacity of the Option Grantee, in which case the provisions in table under clause 8.2 would apply. The Compensation Committee shall have power and discretion to determine the applicability of transferability in the event of permanent incapacity, on case to case basis.
- 11.6 No person other than the Employee to whom the Employee Stock Option is granted shall be entitled to any benefit arising out of the Employee Stock Option or to Exercise the



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Employee Stock Option except in the event of the death of the Option Grantee, in which case the provisions in table under clause 8.2(b) would apply.

12. Authority to vary terms

12.1 The Company shall not vary the terms of the Scheme in any manner, which may be detrimental to the interests of the Employees. Provided that the Company shall be entitled to vary the terms of the Scheme to meet any regulatory requirements.

12.2 Subject to clause 12.1 above, upon prior approval of the shareholders' of the Company by way of a special resolution, if applicable, and adherence to the Applicable Laws, the Compensation Committee may at any time amend, alter, vary the terms of the Plan subject to the condition that such amendment, alteration, or variation, as the case may be is not detrimental to the interests of the Employees.

Provided that the Company shall be entitled to vary the terms of the Plan to meet any regulatory requirement without seeking the shareholders' approval by way of a special resolution.

12.3 The Company may reprice the Options which are not Exercised, whether or not they have been Vested, if the ESOP 2023 is rendered unattractive due to a fall in the price of the Equity Shares in the stock market provided that any such repricing is not detrimental to the interests of the Eligible Employees and has been approved by the shareholders of the Company by passing a special resolution in a general meeting.

13. Miscellaneous

13.1 Government Regulations

The ESOP 2023 shall be subject to all Applicable Laws to the extent applicable. The Grant of the Options and allotment of the Shares to the Employees under ESOP 2023 shall be subject to the Company requiring the Employees to comply with all Applicable Laws. Further, company will comply with all the requirements of SEBI LODR Regulations and amendment made thereof or any other securities laws as and when it is applicable to the Company.

13.2 The inability of the Company to obtain approval / authority from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful allotment and issuance of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of such inability.

13.3 Neither the existence of this Plan nor the fact that an individual has on any occasion been granted an Employee Stock Option shall give such individual any right, entitlement or expectation that he has or shall in future have any such right, entitlement or expectation to participate in this Plan by being granted an Employee Stock Option on any other occasion.

13.4 The rights granted to an Option Grantee upon the grant of an Employee Stock Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the Company for any reason, whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

13.5 The Option 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 Employee Stock Option in whole or in part.



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- 13.6 Participation in ESOP 2023 shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the market price of the Shares and the risks associated with the investments are that of the Employee alone.
- 13.7 In the event that an Option Grantee under ESOP 2023 is transferred pursuant to a scheme of arrangement, amalgamation, merger or demerger or continued employment in existing Company prior to Vesting or Exercise, the treatment of Options in such case shall be specified in such scheme of arrangement, amalgamation, merger or demerger provided that such treatment shall not be prejudicial to the interest of the Option Grantee.
- 13.8 The Company and the Employees shall in all circumstances strictly adhere to the guidelines in relation to insider trading, as applicable.
- 13.9 The Employee shall ensure that there is no violation of:
- a) The Companies Act, 2013;
 - b) SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
 - c) SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended from time to time; and
 - d) Any other regulations to prevent fraudulent or harmful practices relating to the Securities Market.

The Employee shall keep the Company, the Board, the Committee fully indemnified in respect of any liability arising for violation of the above provisions.

14. Accounting and Disclosures

- 14.1 The Company shall follow the laws / regulations applicable to accounting and disclosure related to the Employee Stock Options, including Companies Act but not limited to SEBI (SBEB) Regulations and Accounting Standard IND AS 102 on Share-based payments and / or any relevant accounting standards as may be prescribed by the Central Government in terms of Section 133 of the Companies Act and / or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (“ICAI”) from time to time, including the disclosure requirements prescribed therein, in compliance with relevant provisions of Regulation 15 of SEBI SBEB Regulations.
- 14.2 The Company shall make disclosures to the prospective Option Grantees containing statement of risks, information about the Company and salient features of the ESOP 2023 in a format as prescribed under SEBI SBEB Regulations.
- 14.3 The Company shall disclose details of Grant, Vest, Exercise and lapse of the Employee Stock Options in the Directors’ Report or in an annexure thereof as prescribed under SEBI SBEB Regulations or any other Applicable Laws as in force.

15. Certificate from Secretarial Auditors

- 15.1 The Board shall at each annual general meeting, place before the Shareholders a certificate from the Secretarial Auditors of the Company that the Plan has been implemented in accordance with the SEBI SBEB Regulations and in accordance with the resolution of the Company in the general meeting.

16. Governing Laws

- 16.1 The terms and conditions of ESOP 2023 shall be governed by and construed in accordance



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with the Applicable Laws including the Foreign Exchange Laws mentioned below.

16.2 Foreign Exchange Laws

In case any Employee Stock Options are granted to any Employee being resident outside India belonging to the Company or to any Subsidiary Company/ies of the Company set-up outside India, the provisions of the Foreign Exchange Management Act, 1999 and Rules or Regulations made thereunder as amended and enacted from time to time shall be applicable and the Company has to comply with such requirements as prescribed from time to time in connection with Grant, Vest, Exercise of Employee Stock Options and allotment of Equity Shares thereof.

17. Notices

17.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of ESOP 2023 shall be in writing. The communications shall be made by the Company in any one or more of the following ways:

- (i) Sending communication(s) to the address of the Option Grantee available in the records of the Company; or
- (ii) Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; or
- (iii) Emailing the communication(s) to the Option Grantee at the official email address provided, if any, by the Company to the existing / prospective Option Grantee during the continuance of the employment or at the email address provided by the Option Grantee after cessation of employment.

17.2 Any communication to be given by an Option Grantee to the Company in respect of ESOP 2023 shall be sent to the person at the address mentioned below or by email:

Designation : Head - Human Resources
Address : T-231, Tower 2, 3rd Floor, International Infotech Park, Vashi, Navi Mumbai – 400 703
Email : communication.iris@irisbusiness.com

18. Jurisdiction

18.1 The Courts/ National Company Law Tribunal in Mumbai, Maharashtra, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP 2023.

18.2 Nothing in this Clause shall however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP 2023:

- (i) in any other court of competent jurisdiction; or
- (ii) concurrently in more than one jurisdiction.

19. Severability

19.1 In the event any one or more of the provisions contained in this Plan shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this Plan in which case the Plan shall be construed as if such invalid, illegal, or unenforceable provisions had never been set forth herein, and the Plan shall be carried out as nearly as possible according to its



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original intent and terms.

20. Dispute Resolution

20.1 Any dispute, discrepancy or disagreement (collectively referred to as “Dispute”) which shall arise under, or as result of, or pursuant to, or in connection with this ESOP 2023 shall be referred to the Compensation Committee and shall be determined by the Compensation Committee and any such determination/ decision/ interpretation by the Compensation Committee shall be binding on all persons affected thereby.

20.2 In the event the Compensation Committee is unable to come to a conclusion on any such Dispute, then the same shall be referred to for arbitration to a single arbitrator to be appointed by the Company. The arbitration proceedings shall be in accordance with the provisions of the Arbitration and Conciliation Act, 1996 as amended. The place of arbitration shall be Mumbai, India and the language of the proceedings shall be English.

21. No Restriction of Corporate Action

21.1 The existence of this ESOP 2023 and allotment of Equity Shares made hereafter shall not in any way affect the right or the power of the Board or the shareholders or the Company to make or authorise any change in capital structure; including any issue of Equity Shares, debt or other securities having any priority or preference with respect to the Equity Shares or the rights thereof.

21.2 Nothing contained in this ESOP 2023 shall be construed to prevent the Company or any of its Subsidiaries from taking any corporate action, such as stock split, reverse stock split, dividend, bonus, combination or reclassification of the Equity Shares, any other increase or decrease in the number of issued Equity Shares effected without receipt of consideration by the Company, or in

21.3 the event of a merger/demerger, or sale of all or substantially all the assets of the Company, which is deemed by the Company or any of its Subsidiaries, as the case may be, to be appropriate or in its best interest. No Eligible Employee or other person shall have any claim against the Company or any of its Subsidiaries, as the case may be, as a result of such action.

22. Rights of an Eligible Employee

22.1 An Employee who has been granted Options, shall have no right of a shareholder, including but not limited to the right to vote, dividend, transfer.

23. New Schemes

23.1 Nothing contained in ESOP 2023 shall be construed to prevent the Company directly or through any trust settled by the Company, from implementing any other new scheme for granting stock options and/or share purchase rights, or other means as provided under SEBI SBEB, 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 ESOP 2023 or any Grant made under the ESOP 2023. No Employee or other person shall have any claim against the Company as a result of such action.

24. Contract of Employment

This ESOP 2023 shall not form part of any contract of employment between the Company and the Eligible Employee. The rights and obligations of any Eligible Employee under the terms of his office or employment with the Company shall not be affected by his



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participation in this ESOP 2023. Nothing in this ESOP 2023 shall be construed as affording such an Eligible Employee any additional rights as to compensation or damages in consequence of the termination of such office or employment for any reason.

25. Disclaimer

25.1 Any changes to the terms and conditions of ESOP 2023 may be effected due to any change in the law applicable to ESOP 2023. This ESOP 2023 is purely at the discretion of the Board of the Company.

26. Beneficiary Nomination

26.1 Each Eligible Employee under the ESOP 2023 may nominate, from time to time, any beneficiary or beneficiaries to whom any benefits under the ESOP 2023 is to be delivered in case of death of the Employee before he/she receives all of such benefit. Each such nomination shall revoke all prior nominations by the same Eligible Employee, and shall be in a form prescribed by the Compensation Committee and will be effective only when filed by the Eligible Employee in writing with the Company during the Eligible Employee's lifetime.

27. Further Assurances

27.1 The Eligible Employee shall enter into such agreement(s) and do such acts, deeds or things, as the Compensation Committee may direct from time to time to more fully and effectively implement this ESOP 2023.

28. Tax Liability

28.1 Any Tax liability arising out of Grant or Vesting of the Options or allotment of Equity Shares, as the case may be, under this ESOP 2023 will be deducted or paid, from/ by an Eligible Employee in accordance with Applicable Laws in India and in such other countries as applicable.

28.2 In the event of any withholding Tax liability arising on account of Grant or Vesting of Options or allotment of Equity Shares pursuant to the Exercise of such Options, the Company shall be entitled to withhold such Tax from any dues to the Eligible Employee.

28.3 Any other Taxes introduced in future by the state government or central government or any other relevant authority shall also be deducted/ collected

29. General Risks

29.1 Participation in this ESOP 2023 should not be construed as any guarantee of return on the equity investment. All investment in Equity Shares or Options on Equity Shares is subject to risk as the value of Equity Shares may fluctuate. In addition, stock options are also generally subject, inter alia, to following additional risks:

29.2 Concentration: The risk arising out of any fall in value of shares is aggravated if an Eligible Employee's holding is concentrated in the shares of a single company.

29.3 Leverage: Any change in the value of the share can lead to significantly large change in the value of the Option as an option amounts to a leveraged position in the share.

29.4 Liquidity: The Options cannot be transferred to anybody, and therefore Eligible Employees cannot mitigate their risks by selling the whole or part of their Options before they are Exercised.

30. Ranking of Equity Shares



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30.1 Upon allotment of the Equity Shares, the Eligible Employee's shall become members of the Company. The Equity Shares allotted to the Eligible Employee's pursuant to ESOP 2023 shall rank pari-passu with all the existing Equity Shares of the Company. At the time of allotment of Equity Shares pursuant to a valid Exercise, the Eligible Employee will be required to sign such document(s) as may be considered necessary by the Compensation Committee/ Company to lawfully execute/ enforce various provisions of the ESOP 2023.

31. Listing of Equity Shares

31.1 Any Equity Shares resulting from a new issue made under the ESOP 2023 shall be listed immediately to all the recognized stock exchange where the existing shares of the Company are listed, subject to reporting and filing requirements under the SEBI SBEB Regulations and the in-principle approval received from the stock exchanges.

32. Confidentiality

32.1 An Option Grantee must keep the details of the ESOP 2023 and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peers, colleagues, co-employees or with any employee and / or associate of the Company or that of its affiliates. In case Option Grantee is found in breach of this clause on confidentiality, the Company has undisputed right to terminate any Agreement and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this clause on confidentiality shall be final, binding and cannot be questioned by the Option Grantee. In case of non-adherence to the provisions of this clause, the Board or the Compensation Committee shall have the authority to deal with such cases as it may deem fit.

32.2 On acceptance of the Grant of the Option offered by the Company, it shall be deemed that the Option Grantee has authorised the Company to disclose information relating to the Option Grantee during the process of implementation of the Plan or while availing any consulting or advisory services thereof or any other incidental services to its officers, professional advisors, agents and consultants on a need to know basis.
