

INFIBEAM EMPLOYEE STOCK OPTION PLAN 2019-20

OF

INFIBEAM AVENUES LIMITED

(Formerly known as Infibeam Incorporation Limited)

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1. INTRODUCTION

- 1.1** This Scheme called the "INFIBEAM EMPLOYEE STOCK OPTION PLAN 2019 - 20 ("ESOP" or "ESOS" or "the ESOP Scheme") is formulated by **Infibeam Avenues Limited (Formerly known as Infibeam Incorporation Limited) ("the Company")** for the grant of Stock Options to enable its eligible Employees to subscribe to Equity Shares of the Company.
- 1.2** Every person who is eligible to participate in the ESOP does so subject to the provisions contained in this Scheme.
- 1.3** The Company is engaged in the business of payments gateway, e-Infrastructure and Platform activities.
- 1.4** The Company wishes to bring about employee participation in the growth and prospects of the Company. The Company has, therefore, decided to introduce the Scheme that would encourage a long term and committed involvement of the Employees in the management and future of the Company.
- 1.5** This document sets out features of the ESOP, the benefits accruing to the employees under the Scheme, the duties and responsibilities of the beneficiaries and also the procedures to be followed. The document shall serve as a reference for the administration of the ESOP. This document should be carefully read and understood and the procedures prescribed need to be diligently observed for availing the benefits under the Scheme.
- 1.6** This document is not in the nature of a legal contract and the same needs to be understood in common commercial parlance.
- 1.7** This is a confidential document and should be treated as such by all.
- 1.8** This Scheme has been adopted by the Board of Directors pursuant to resolution passed at its meeting held on June 29, 2019, read with Special Resolution passed by shareholders of the company at the Annual general meeting held on July 30, 2019.

2. NAME AND TERM OF THE PLAN

- 2.1** This Plan shall be called the **"INFIBEAM EMPLOYEE STOCK OPTION PLAN 2019-2020 ("ESOP" or "ESOS" or "the Scheme")**.
- 2.2** The objective of the Scheme is to reward the Employees for their past association and performance as well as to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to attract and retain talent in the organization. The Company views employee stock options as instruments that would enable the Employees to share the value they create for the Company in the years to come.



- 2.3 The Scheme is established with effect from August 1, 2019 and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the options available for issuance under the Scheme have been issued and exercised or shall have expired by reason of lapse of time or otherwise, whichever is later.
- 2.4 The Board of Directors may subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the Scheme, not being detrimental to the interest of the Option Grantee.

3. OBJECTIVES OF ESOP

The following are the main objectives of this Scheme:

- a) To provide means to enable the Company to attract and retain appropriate human talent;
- b) To motivate the employees of the Company through incentives and reward opportunities;
- c) To achieve sustained growth and creation of shareholders' value by aligning the interests of the employees with the long-term interests of the Company;
- d) To create sense of ownership and participation amongst the employees.

4. DEFINITIONS AND INTERPRETATION

The terms defined in this Scheme shall for the purposes of this Scheme, have the meanings specified herein and terms not defined shall have the meanings as defined in the Securities Contracts (Regulation) Act, 1956 (as amended); the Companies Act, 2013 (as amended); the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (as amended) or in any statute or re-enactments hereof, as the case may be:

4.1 Definitions

- i. "**Applicable Law**" means every law relating to Employee Stock Options, including, without limitation to, the Companies Act 2013 or any amendment thereof, Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulation'), Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 or any amendment thereof and all relevant tax, securities, exchange control or corporate laws of India or any relevant jurisdiction or of any stock exchange on which the shares are listed or quoted.
- ii. **Adoption Date** means the date on which this Plan is adopted by the Company;
- iii. "**Associate Company**" means any present or future Associate Company of the Company as defined in the Companies Act.

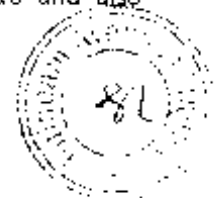


- iv. **"Board"** means the Board of Directors of Infibeam Avenues Limited and includes Committee thereof (the compensation committee or the Nomination and Remuneration Committee).
- v. **"Companies Act"** means the Companies Act 2013 and its rules and regulations and also includes any statutory modifications or reenactments thereof.
- vi. **"Company"** means 'Infibeam Avenues Limited'(Formerly known as Infibeam Incorporation Limited).
- vii. **"Company Policies/Terms of Employment"** means the Company's policies for employees and the terms of employment as contained in the Employment Letter and the Company Handbook, which includes provisions for securing Confidentiality, Non-Compete and non-Poaching of other Employees and customers.
- viii. **"Compensation Committee" ("Committee")** means and includes the 'Nomination and Remuneration Committee' set up by the Company under Section 178 of the Companies Act, 2013, as amended or a Committee constituted by the Board of Directors or reconstituted from time to time to administer the Scheme.
- ix. **"Director"** means a member of the Board of the Company.
- x. **"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.
- xi. **Eligible Employee** means an Employee who has been granted Options pursuant to this Scheme and, where the context so requires, includes legal heir(s) and/or the designated beneficiary(ies), whose details are provided in the Letter of Grant.
- xii. **"Employee"** means
 - a. an employee as designated by the Company, who is exclusively working in India or outside India; or
 - b. Director of the Company, whether a whole time Director or not but including a non-executive Director who is not a promoter or member of the Promoter Group, but excluding an independent director; or
 - c. an employee, as defined in sub-clauses (a) or (b) in this Para, of a Group Company including Subsidiary Company or Associate Company or any future Subsidiary / Associate Company, in India or outside india, or of a holding company of the Company, But excludes:
 - an employee who is a Promoter or a person belonging to Promoter Group; or
 - a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company.
 - An Independent Director

However, the compensation committee has right to determine and change the criteria to determine the eligibility of employees for granting the Employee Stock Options as per the prevailing applicable SEBI rules, regulations and guidelines from time to time.



- xiii. **"Employee Stock Option" or "Option"** means option given to employees satisfying the eligibility criteria which gives them the benefit or right to purchase or subscribe at a future date, the securities offered by the company, directly or indirectly, at a predetermined price.
- xiv. **"Employee Stock Option Plan ('ESOS' or 'ESOP' or 'the Scheme')"** means a scheme under which a company grants stock options to employees.
- xv. **"ESOS shares"** means shares arising out of exercise of options granted under ESOS.
- xvi. **Equity Share** means one Equity Share of the Face Value of Re.1 each of the Company listed on the BSE Limited and the National Stock Exchange of India Limited.
- xvii. **"Exercise"** of an Option means expression of an intention by an Employee in writing to the Company to purchase the Shares underlying the Options vested in him, in pursuance of the Scheme, in accordance with the procedure laid down by the Company for exercise of options.
- xviii. **"Exercise Period"** means the time period after vesting within which the employee should exercise his right to apply for shares against the option vested in him in pursuance of this Scheme.
- xix. **"Exercise Price"** means the price payable by the Employee for exercising the option granted to him in pursuance of this Scheme.
- xx. **"Grant"** means issue of Options to the Employees under this Scheme.
- xxi. **"Independent director"** Shall have the same meaning as assigned to it in the Regulation 16 (1) (b) of the Listing Regulations as prescribed by SEBI.
- xxii. **"Market Price"** means the latest available closing price immediately prior to the relevant date. If the shares are listed on more than one stock exchange, the stock exchange where there is highest trading volume on the said date shall be considered.
- xxiii. **"Nominee"** means any person appointed by the Eligible Employee pursuant to the Scheme and recorded with the Company in accordance with the format as provided in the Letter of Grant.
- xxiv. **"Option Grantee"** means an Employee having right but not an obligation to exercise in pursuance of this scheme.
- xxv. **"Permanent Disability"** means any disability 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 Board / Committee.
- xxvi. **"Promoter"** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and also includes any statutory modifications or re-enactments thereof.



- xxvii. **"Promoter Group"** shall have the same meaning as assigned to it in the Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations 2018 and also includes any statutory modifications or re-enactments thereof.
- xxviii. **"Recognized Stock Exchange"** means the BSE Limited, the National Stock Exchange of India Limited or any other Stock Exchange in India or outside India on which the Company's Shares are listed or to be listed.
- xxix. **Relevant date** – This means:
- a. In the case of grant, the date of meeting of compensation committee on which the grant is made; or
 - b. In the case of exercise, the date on which the notice of exercise is given to the company by the employee.
- xxx. **"Retirement"** means retirement as per the rules of the Company.
- xxxi. **"Share"** means equity shares and securities convertible into equity shares and shall include American Depository Receipts (ADRs), Global Depository Receipts (GDRs) or other depository receipts representing underlying equity shares or securities convertible into equity shares.
- xxxii. **"Scheme / Plan"** means this Employee Stock Option Plan under which the Company is authorised to grant Employee Stock Options to the Employees.
- xxxiii. **"SEBI Act"** means the Securities and Exchange Board of India Act, 1992 as amended, and includes all regulations and clarifications issued there under.
- xxxiv. **"ESOP Regulations"** means Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and includes all regulations and clarifications issued there under ("SEBI SBEBSE Regulations").
- xxxv. **"Subsidiary company"** means any present or future subsidiary company of the Company, as defined in the Companies Act.
- xxxvi. **"Vesting"** means the process by which the Employee is given the right to apply for shares of the company against the Option granted to him in pursuance of this Scheme;
- xxxvii. **"Vesting Condition"** means any condition subject to which the options granted would vest in an Option Grantee.
- xxxviii. **"Vesting Period"** means the period during which the vesting of the Option granted to the Employee in pursuance of this Scheme takes place and the minimum vesting period shall be One Year.
- xxxix. **"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.



- xi. **“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.

4.2 Interpretation

In this document, unless the contrary intention appears:

- a) the clause headings are for ease of reference only and shall not be relevant to interpretation;
- b) a reference to a clause number is a reference to its sub-clauses;
- c) words in singular number include the plural and vice versa;
- d) words importing a gender include any other gender;
- e) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.
- f) the word “person” includes an individual, a firm, a body corporate or unincorporated or any authority; and
- g) any word or expression importing the masculine, feminine or neuter genders only, shall be taken to include all three genders.

5. AUTHORITY AND CEILING

- 5.1 The Board in its meeting on June 29, 2019 and the company in its Annual General Meeting dated July 30, 2019 has resolved to issue to employees under Infibeam Employee Stock Option Plan 2019-20, Employee Stock Options exercisable into shares which shall not be more than 5.00% of the Paid-Up Equity Share Capital of the Company.
- 5.2 If an Employee Stock Option expires or becomes un-exercisable due to any other reason, it shall become available for future Grants, subject to compliance with all Applicable Laws.
- 5.3 Where Shares are issued consequent upon exercise of an Employee Stock Option under this scheme, the maximum number of Shares that can be issued under Infibeam Employee Stock Option Plan 2019-20 as referred to in Clause 5.1 above will stand reduced to the extent of such Shares issued.

6. ADMINISTRATION

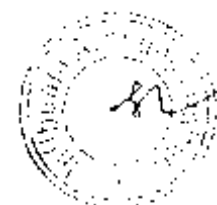
- 6.1 The Scheme shall be administered by the Compensation Committee. All questions of interpretation of the Scheme or any Employee Stock Option shall be determined by the Compensation Committee and such determination shall be final and binding upon all persons having an interest in the Scheme or such Employee Stock Option.
- 6.2 The Compensation Committee shall in accordance with this Plan and Applicable Laws determine the following:



- (a) It is empowered to formulate detailed terms and conditions of the Scheme, administer and supervise the same. It shall be a Committee from among the board of directors.
- (b) The quantum of Employee Stock Options to be granted under the Scheme per Employee, subject to the ceiling as specified in Para 5.1;
- (c) The Eligibility Criteria;
- (d) The procedure and terms for the Grant, Vest and Exercise of Employee Stock Option
- (e) The procedure for making a fair and reasonable adjustment in case of corporate actions such as merger, sale of division, stock split / consolidation, rights issues, bonus issues and others;
- (f) The procedure and terms for the Grant, Vest and Exercise of Employee Stock Option in case of Employees who are on long leave;
- (g) Approve forms, writings and/or agreements for use in pursuance of the Scheme.
- (h) The Compensation Committee shall meet as required for the purpose of administering the Scheme.
- (i) The Compensation Committee shall select Employees to be offered Options.
- (j) The Compensation Committee shall have powers to review the Scheme annually, if required, and recommend appropriate changes in the terms and conditions of the Scheme, if any, to the Board of Directors. Changes would be recommended in cases such as:
 1. the current Scheme does not fulfil the objectives set out for the scheme
 2. there are changes in legislation, which need to be incorporated in the Scheme
 3. such changes facilitate effective implementation or improvement of the Scheme
 4. such changes are for the welfare of the Employees
- (k) The Compensation Committee shall ensure that the Scheme is implemented in accordance with the relevant provisions of the Companies Act as well as SEBI Guidelines, SEBI ESOP Regulations, as amended from time to time.
- (l) No member of the Compensation Committee shall be liable for any decision or action carried out in good faith with respect to the Scheme of the Company.
- (m) The Compensation Committee is empowered to constitute a working committee, if required, to assist the Compensation Committee in the selection and appraisal of Employees for the participation in the Scheme.
- (n) The Compensation Committee shall frame suitable policies and systems to ensure that there is no violation of securities laws, as amended from time to time including
 - (a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 or any amendment thereof; and
 - (b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 or any amendment thereof, by company and its employees as applicable.

7. IMPLEMENTATION

The Scheme shall be implemented by the Board under the broad policy and framework laid down by the Board / Committee and subject to compliance with the applicable laws.



8. EFFECTIVE DATE AND SCHEME DURATION

The Scheme shall be deemed to have come into force from August 1, 2019.

If any Option granted under the Scheme lapses or is forfeited under any provision of the Scheme, such Option shall be available for further grants under the Scheme. The Scheme shall remain in effect until all the Options granted under the Scheme shall have been exercised or shall have expired by reason of lapse of time or otherwise, whichever is later.

9. ELIGIBILITY OF AN EMPLOYEE

All employees as defined above shall be eligible to participate in the Plan. The specific employees to whom the options would be granted and their eligibility criteria would be determined by the Compensation Committee.

10. ESOP FEATURES

The paragraph contains a broad overview of the ESOP and each of the feature of ESOP is explained in detail later on. The basic features of the ESOP are as follows:

- 10.1** The Company shall from time to time set apart such number of Options for issue to the Employees as may be determined by the Board / Committee.
- 10.2** These Options would be issued from time to time by the Company to the eligible Employees as per the decision of the Compensation Committee.
- 10.3** One Option would entitle the Option Holder to subscribe to one Equity Share in the Company; provided however in the event of any changes in the number and/or face value of the outstanding equity Shares of the Company by way of a bonus issue, rights issue, exchange of Shares, recapitalization, mergers and demerges, spin-off, consolidation, amalgamation, sale of business, dissolution, winding-up, liquidation, other reorganisation or any other event which in the opinion of the board has a material impact on the business of the Company or other corporate action, the Exercise Price per share/number of unvested and Vested but not Exercised Options shall be appropriately adjusted in accordance with the directions of the Board / Committee and such directions shall be final and binding.
- 10.4** 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 or the Compensation Committee may at any time as the case may change the terms and conditions of the Scheme which should be in accordance with the SEBI Regulations or to meet any regulatory requirements.

- 10.5** An Employee shall not have a right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of the Options issued to him, till the Equity Shares are issued and allotted to him on exercise of the Option.



11. APPRAISAL AND ELIGIBILITY OF AN EMPLOYEE

- 11.1** The compensation committee shall decide the criteria for selecting the Employees to be eligible for the grant of Options under the Scheme. The compensation committee shall not be bound to disclose the criteria for issue of Options to any Employee. Further, the compensation committee would select from time to time the Employees to whom the Options shall be granted and determine the number of Options to be granted to them. The compensation committee may decide to grant different number of Options to different Employees or to different categories of Employees. The compensation committee may decide to grant the Options to a team of employees to encourage team spirit, in which event the grant of the Options among the team members would be made in accordance with the principles laid down/approved by compensation committee. The decision of the compensation committee would be final and binding.
- 11.2** The major criteria involved in selection of the eligible Employees would include the following factors:
- a. Employees in key functional areas;
 - b. Educational Qualifications;
 - c. Managerial Cadre;
 - d. Past Service/Performance;
 - e. Current Performance Evaluation;
 - f. Expected Future Performance/Contribution;
 - g. Minimum years of Committed Service
- 11.3** The Board of Directors shall also frame suitable policies and systems to ensure that there is no violation of the Memorandum and Articles of Association of the Company by any Employee.
- 11.4** With respect to any matters that are not specifically provided for, the compensation committee shall have absolute discretion to decide such matters in the manner deemed fit by it in the best interest of the Employees and the same should be as per the SEBI SBEBSE Regulations on ESOP, and any such decision of the compensation committee shall be binding on all the Employees.
- 11.5** The total number of Options to be issued by the Company to the Employees under this Scheme shall not exceed such number so that if all the Options are converted into Equity, it would at any time not exceed 5% of the Paid-Up Equity Share Capital of the Company.
- 11.6** Upon failure to exercise option, the amount payable by the employee, if any, at the time of grant of option may be forfeited by the company, if the option is not exercised by the employee within the exercise period.
- 11.7** Also, the Options that are lapsed or are forfeited will be available for future grant to the eligible Employees.
- 11.8** The Company reserves the right to grant/earmark further Options, at its discretion, for the purposes of the ESOP, subject to compliance with the applicable laws.



11.9 No employee shall be granted Options during any one year, equal to or exceeding 1% of the issued capital of the Company (excluding outstanding warrants and conversions) at the time of grant of such Options, except with the specific approval of the members of the Company, accorded in a general body meeting.

12. GRANTING OF OPTIONS

12.1 The Options may be granted at any time after the Adoption Date.

12.2 The Options shall be granted at such price to the option grantee as may be decided by the Compensation Committee. The Board shall also specify the Exercise Price i.e. the price per share to be paid by the Option Holder to the Company for subscribing to the Equity Shares which his Option entitles him to subscribe to the Equity Shares.

12.3 The Company shall send a Grant Letter (as per **Exhibit 1**) to each Employee to whom an Option has been granted as soon as reasonably practicable following the Date of Grant. The employee shall accept the Options granted by way of an acceptance letter (as per **Exhibit 2**) along with an undertaking to be executed by such an Employee in the form annexed herewith (as per **Exhibit 2A**).

12.4 The Grant Letter shall contain the following information (although any omission shall not affect the validity of the Option):

- (a) Date of Grant;
- (b) Number of Options granted;
- (c) Exercise Price;
- (d) details of any Performance Conditions applicable to the Option;
- (e) a statement that no Option can be transferred, assigned or charged; and
- (f) such other information as the Board or the Compensation Committee may deem fit.

12.5 Each Option shall entitle the Option Holder to subscribe to one Equity Share as endorsed thereon at the Exercise Price. However, the Option Holder is not obliged to exercise the Option.

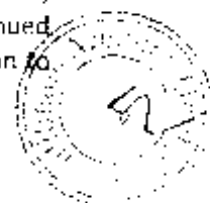
12.6 There shall be a minimum period of one year between the grant of Options and vesting of Options. Wherein the employee takes leave for a period exceeding 15 days (consecutively or otherwise) from the regular leaves granted by company, during the vesting period, the vesting period will be so extended by the number of leaves so taken over and above 15 days.

12.7 The Options issued to an Employee shall not be transferable to any person.

12.8 The Employee to whom the Options are issued shall not be entitled to pledge, mortgage, hypothecate or otherwise alienate them in any manner.

13. VESTING SCHEDULE / CONDITIONS

Options granted under the Scheme would vest not less than one year and not more than 5 (Five) years from the date of grant of such options. Vesting of options would be subject to continued employment with the Company and thus the options would vest on passage of time. In addition to,



this, the Compensation Committee may also specify certain performance parameters subject to which the options would vest. The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document given to the option grantee at the time of grant of options.

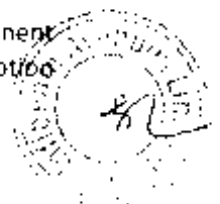
14. **EXERCISE**

- 14.1 Unless the terms and conditions of a Grant of Option shall otherwise require, an Option granted to an employee shall entitle Employee to exercise the options within the Exercise Period and at the Exercise Price. The employee shall intimate the Company within the Exercise Period his intention to subscribe the shares (as per **Exhibit 3**).
- 14.2 Notwithstanding anything to the contrary in this Scheme, the compensation committee shall be entitled to allow Exercise of any or all of the Options granted to an Employee conditional upon the fulfilment of such performance criteria whether of the Employee and / or any team or group of which he is a part and / or of the Company or the Employer Company, as may be determined by the Compensation Committee.
- 14.3 On the earliest date on which any Option is eligible for the Exercise or immediately thereafter, such number or percentage of the Options as may be specified in the Grant Letter, on an automatic basis shall be deemed to be available for Exercise and accordingly the Option Holder shall, subject to fulfilment of any other condition as may be specified under the Scheme, be eligible to Exercise the said Options.
- 14.4 Out of the Options eligible for Exercise on the basis of performance parameters, if any, such percentage or such number of Options as may be specified by the compensation committee in the Grant Letter or any of the other writing, having regard to the performance of the Option Holder evaluated in accordance with such performance criteria as may be laid down by the compensation committee, shall be available to the Option Holder for Exercise.
- 14.5 If any Bonus and/or Rights Shares are issued by the Company, then the Board of Directors of the Company shall make a fair and reasonable adjustment to the number of outstanding Options and/or to the exercise price. Similarly, if the Company takes any action which requires any adjustment to the number of outstanding Options and/or the Exercise Price, then Board of Directors of the Company would make a fair and reasonable adjustment to the number of outstanding Options and/or to the Exercise Price.
- 14.6 It shall always be a pre-condition for the exercise of the options that the employee should be in services with the Company and in the event the employee ceases from the services of the Company by reason of resignation or termination (except for reason of misconduct) the entire lot of the unexercised vested options shall have to be exercised on or before the date of acceptance of his resignation and if the options are not so exercised, they shall lapse. However, the Board at its sole discretion can further extend the period on reasonable request by such employee. Further, where an Employee has resigned or dissociated from the Company or its Subsidiary or its Associate Company (as the case may be) and in the opinion of the Company is engaged in activities which are materially detrimental to the business or interests of the Company, its subsidiaries or its Associate Company or its Employees or has joined or going to join the Company of the competitors, all the vested and unvested Options held by the Employee



shall be cancelled partly or in full as a disciplinary measure at the sole discretion of the Board or the Compensation Committee.

- 14.7** In exceptional cases or if it is in the interest of the Company / Subsidiary Companies or Associate Company and its employees, the Board or the Compensation Committee has also power to restrict the right of the employee to exercise the options in case of resignation, termination, discharge, dismissal, abandonment or any other legal and reasonable grounds as it may deem fit.
- 14.8** No person other than the Employee to whom the Options are issued shall be entitled to exercise the Option, except in the circumstances provided hereinafter.
- 14.9** In the event of any Option Holder:
- a) Dying whilst in the employment or engagement of the Company, the options shall vest to his legal heirs or nominees and the exercise of options shall be accelerated;
 - b) Becoming totally or permanently disabled while in employment, the options shall vest in him on the date of occurrence of the permanent disability;
 - c) Attaining age of superannuation while in service, the options shall vest in him and the exercise of options shall be accelerated.
 - d) The Option Holder shall be entitled, at any time to nominate a person/(s) who shall be eligible to exercise the Option, issued to him in the event of the death of the Option Holder. The nomination shall be in the prescribed form given in **Exhibit – 2B** attached herewith.
- 14.10** An Option that has become exercisable under the Scheme and has not lapsed under the Scheme may be exercised in whole or in part by the Option Holder by sending an Exercise Notice to the Company in the prescribed form given in **Exhibit – 3** along with undertaking prescribed form given in **Exhibit – 3A** attached herewith.
- 14.11** The exercise price shall be Re. 1/- per option or such other price as the compensation committee decides, from time to time (share of a face value of Re. 1/- each). Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company or any other banking mode or in such other manner as the Compensation Committee may decide.
- 14.12** The Employee Stock Options granted shall be capable of being exercised within a period of 4 (Four) years from the date of vesting or any other period as may be decided by the Board and/or Committee from the date of respective vesting of Employee Stock Options.
- 14.13** In the event of the death of an Employee while in employment with the Company, all the Vested and Unvested Options may be Exercised by the Option Grantee's nominee immediately after, but in no event later than 90 days from the date of death. However, the Board at its sole discretion can further extend the period upto 90 days.
- 14.14** In the event of separation of an Employee from the Company due to reasons of Permanent Incapacity, the Option Grantee may Exercise his or her Vested as well as Unvested Options



immediately after Permanent Incapacity but in no event later than 90 days from the date of separation from employment. In the event of death of the option grantee after such separation and before the expiry of 90 days from the date of such separation, the nominee/legal heir of such option grantee will be allowed to exercise all vested options of the option grantee before the expiry of six months from the date of such separation. However, the Board at its sole discretion can further extend the period upto 90 days.

- 14.15** In the event of resignation, all Unvested Options, on the date of submission of resignation, shall expire and stand terminated with effect from that date. However, all Vested Options as on that date shall be exercisable by the employee on or before the date of acceptance of his resignation by the Company. However, the Board at its sole discretion can further extend the period on reasonable request of such employee. All the related tax liabilities will be borne by the employee.
- 14.16** In the event that an employee, who has been granted benefits under the scheme, is transferred or deputed to an associate Company prior to vesting or exercise, the vesting and exercise as per the terms of grant shall continue in case of such transferred or deputed employee even after the transfer or deputation.
- 14.17** In the event of abandonment of employment by an Option Grantee without the Company's consent, all Employee Stock Options granted to such employee, including the Vested Options, which were not exercised at the time of abandonment of employment, shall stand terminated with immediate effect. The Compensation Committee, at its sole discretion shall decide the date of abandonment by an Employee and such decision shall be binding on all concerned.
- 14.18** In the event of termination of the employment of an Option Grantee due to breach of policies or the terms of employment of the Company or its Subsidiary or its Associate Company (as the case may be), and in the opinion of the Company is engaged in activities which are materially detrimental to the business or interests of the Company, its subsidiaries or its Associate Company or its Employees or has joined or going to join the Company of the competitors, all the vested and unvested Options held by the Employee shall be cancelled partly or in full as a disciplinary measure at the sole discretion of the Board or the Compensation Committee.
- 14.19** In the event that an employee who has been granted benefits under the scheme, is transferred pursuant to scheme of arrangement, amalgamation, merger or demerger or continued in the existing company, prior to the 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 employee.

15. VARIATION IN TERMS OF ESOP

The Company may by a special resolution in a general meeting vary all or any of the terms of the ESOP with respect to the Options issued or to be issued to the Employees, which are not yet exercised by the employee. The Company will not vary the terms of the Scheme in any manner, which may be detrimental to the interest of the Option Holders. Provided the Company shall be entitled to vary the terms of the Scheme to meet any regulatory requirements.



The Company may reprice the options which are not exercised, whether or not they have been vested if ESOP is rendered unattractive due to fall in the price of the shares in the market.

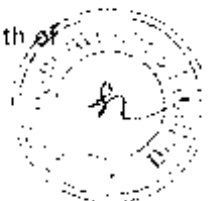
Provided that the company ensures that such repricing shall not be detrimental to the interest of employees and approval of shareholders in General Meeting has been obtained for such repricing

16. APPLICABLE LAWS

- 16.1** The issue of Options and allotment of Equity Shares would be subject to the applicable provisions of the Income Tax Act, 1961. Accordingly, the eligible Employees would accept the Options and exercise them subject to the applicable tax provisions from time to time.
- 16.2** Notwithstanding anything contained in this Scheme or any other agreement under which Stock Options have been granted to an eligible Employee, the Company and/or its Subsidiary or its Associate Company shall have the right to deduct and/or recover, relating to or in connection with all awards, any and all taxes, if any, required by law to be deducted at source or otherwise and shall also recover any taxes, whether direct or indirect tax any other cess, levy, assessments and other governmental charges, duties, impositions and liabilities, by whatever name called including, without limitation, whether directly or indirectly payable by the Company at the time of grant or vesting or exercise of Stock Options or allotment of the shares or at any other point of time.
- 16.3** The Scheme would be subject to all applicable laws at present and those, which may become applicable in the future.
- 16.4** All disputes, differences, claims and questions which shall arise between the Company and the Employees in relation to the Scheme, shall be amicably settled. In the event of the failure to do so, the decision of the Board shall be final and binding upon the Employees or Options Holders. This Scheme is subject to the jurisdiction of Ahmedabad and/or Gandhinagar, Gujarat, India.

17. OTHER TERMS AND CONDITIONS

- 17.1** 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 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.
- 17.2** The Employee Stock Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 17.3** If the Company issues bonus or rights shares, the Option Grantee will 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 respective clause mentioned above.
- 17.4** Employee Stock Options shall not be transferable to any person except in the event of death of the Option Grantee.



17.5 No person other than the Employee to whom the Employee Stock Option is granted shall be entitled to Exercise the Employee Stock Option except in the event of the death of the Option Grantee holder.

18. DEDUCTION OF TAX

The Company shall have the right to deduct from the employee's salary, any of the employee's tax obligations arising in connection with the Employee Stock Option or the Shares acquired upon the Exercise thereof. The Company shall have no obligation to deliver Shares until the Company's tax deduction obligations, if any, have been satisfied by the Option Grantee.

19. MISCELLANEOUS

19.1 Government Regulations:

This Scheme shall be subject to all Applicable Laws, and approvals from governmental and other regulatory / statutory authorities.

19.2 Inability to obtain authority:

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

19.3 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 will 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.

19.4 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.

20. NOTICES

All notices of communication required to be given by the Company to an Option Grantee by virtue of this scheme shall be in writing and shall be sent to the address of the Option Grantee available in the records of the Company and any communication to be given by an Option Grantee to the Company in respect of this scheme shall be sent to the address mentioned below:

To,
The Board of Directors
Infibeam Avenues Limited
28th Floor, GIFT Two Building, Block No. 56,
Road 5C, Zone-5, GIFT CITY, Gandhinagar,
Taluka & District - Gandhinagar – 382 355



21. GOVERNING LAW AND JURISDICTION

21.1 The terms and conditions of the Scheme shall be governed by and construed in accordance with the laws of India.

The Courts of Ahmedabad and/or Gandhinagar, Gujarat, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this scheme and the Company and all Employees shall submit themselves to the jurisdiction of the Courts of Ahmedabad and/or Gandhinagar, Gujarat in connection with this Scheme.

21.2 Nothing in this Clause will however limit the right of the Company to bring proceedings against any Employee in connection with this Scheme:

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

22. REPRESENTATION

Neither the Company nor the Board of Directors makes any representation regarding the performance of the Company or the future value of the Equity Shares. Each Employee should take the decision to exercise the Options issued to him after considering all the Provisions of this Scheme and other relevant factors.

This represents the Complete Scheme for ESOP.



**INFIBEAM STOCK APPRECIATION RIGHTS
SCHEME 2017**
August 11, 2017

INFIBEAM INCORPORATION LIMITED

CERTIFIED TRUE COPY

FOR, INFIBEAM INCORPORATION LIMITED

[Signature]
MANAGING DIRECTOR



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INFIBEAM INCORPORATION LIMITED

INFIBEAM STOCK APPRECIATION RIGHTS SCHEME 2017

This Scheme (defined hereunder) has been formulated by the Board (defined hereunder) of Infibeam Incorporation Limited and approved at its meeting held on July 13, 2017 and by the Compensation Committee (as defined hereafter), of the Board, at its meeting held on July 13, 2017. Further, this Scheme has been approved by the shareholders of the Company by way of special resolution at the General Meeting of the Company (defined hereunder) held on August 11, 2017.

1. NAME AND OBJECTIVE OF THE SCHEME

- 1.1 This Scheme shall be called the "Infibeam Stock Appreciation Rights Scheme 2017" (this "Scheme") which expression shall include any alterations, amendments or modifications hereto from time to time.
- 1.2 In today's competitive world, employees are Company's most important resource and asset. The Company fully recognizes the above fact and wants its employees to participate and share the fruits of growth and prosperity along with the Company.
- 1.3 The objectives of the Scheme are:
 - a) To incentivise and motivate the Employees (defined hereunder) in a manner that will enable providing certain benefits on the happening of certain definitive events as specified under Clause 10.2;
 - b) To provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company and its Subsidiary Companies, as the case may be; and
 - c) To promote the culture of employee ownership

This purpose is sought to be achieved through the Grant of SARs (subject to certain terms and conditions provided in this Scheme) to the Eligible Employees.

- 1.4 The Company may, in its sole discretion, Grant SARs (defined hereinafter) to such Employees, as it may deem fit, under this Scheme. Notwithstanding anything contained herein, nothing in this Scheme shall be deemed to impose any obligation on the Company to Grant or continue to Grant any SARs pursuant to this Scheme.

2. DEFINITIONS AND INTERPRETATION

The terms defined in this Scheme shall for the purposes of this Scheme, have the meanings specified herein and terms not defined shall have the meanings as defined in the Securities Contracts (Regulation) Act, 1956 (as amended); the Companies Act, 2013 (as amended); the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (as amended) or in any statute or re-enactments hereof, as the case may be:

- 2.1 **Applicable Law** shall mean laws of India, including statute, rules, regulations, circular, notification and guidelines to the extent applicable to the Company and this Scheme, including the Companies Act, 2013, the SEBI SBEF Regulations and the SEBI Listing Regulations and all relevant tax, securities, exchange control or corporate laws of India as including any enactment, re-enactment, amendment, modification or alteration thereof.



- 2.2 **Appreciation Amount** means the difference between the Exercise Value and the Base Value, with respect to the SARs Granted to an Eligible Employee under this Scheme and Exercised by such an Eligible Employee in terms hereof;
- 2.3 **Average Acquisition Price** means the total amount utilised by the Trust to purchase the Shares (as defined hereafter) from the secondary market or primary allotment (as applicable) divided by the total number of Shares purchased by the Trust till the date of arriving at such Average Acquisition Price. It is clarified herein that the price of each Share while arriving the Average Acquisition Price, shall take into account all the costs relating to the acquisition of Shares, including but not limited to the applicable securities transaction tax, brokerage, other taxes, surcharge, cess and other incidental administrative expenses.
- 2.4 **Base Value** means the Average Acquisition Price of the Shares;
- 2.5 **Board of Directors / Board** means the Company's Board of Directors and includes a duly constituted and authorised committee thereof, where applicable;
- 2.6 **Cause** includes any of the following: (i) convicted of an offence involving moral turpitude or that disentitles the Eligible Employee from being an Employee in accordance with the Company's policies and/or Applicable Law; or (ii) commission of fraud, misappropriation or embezzlement by an Eligible Employee; or (iii) wilful dishonesty, gross misconduct; or (iv) abandonment of employment by the Eligible Employee or (v) resignation from employment by the Eligible Employee or (vi) termination of employment of the Eligible Employee by the Company for reasons relating to performance of such Eligible Employee or otherwise and/or (vii) any other action(s) that, in view of the Compensation Committee is disruptive or detrimental to the functioning of the Company;
- 2.7 **Company** means Infibeam Incorporation Limited, a public limited company incorporated in India under the provisions of the Companies Act, 1956 and having its principal place of business at 9th Floor, "A" Wing, Gopal Palace, Opp. Ocean Park, Nr. Nehrunagar, Satellite Road, Ahmedabad - 380 015, Gujarat, the Equity Shares of which are listed on BSE Limited and the National Stock Exchange of India Limited;
- 2.8 **Compensation Committee / Committee** means the 'Nomination and Remuneration Committee' set up by the Company under the Section 178 of the Companies Act, 2013, as amended;
- 2.9 **Corporate Action** means one or more of the following events:
- a) Bonus issue or rights issue undertaken by the Company;
 - b) Merger, de-merger, spin-off, consolidation, amalgamation, sale of business, restructuring or other reorganization of the Company in which all the Shares are converted into or exchanged for:
 - i. a different class of securities of the Company;
 - ii. securities of any other issuer;
 - iii. cash; or
 - iv. other property;
 - c) Sale, lease or exchange of all or substantially whole of the assets/ undertaking of the Company to any other company or entity;
 - d) Adoption by the shareholders of the Company of a scheme of liquidation, dissolution or winding up; or
 - e) Change in the capital structure of the Company as a result of reclassification of the Shares, splitting up of the face value of the Shares, sub-division of the Shares,



conversion of the Shares into other shares or securities and any other change in the rights or obligations in respect of the Shares.

- 2.10 **Director** means a member of the Board of the Company;
- 2.11 **Effective Date** shall have the same meaning assigned to it as in Clause 4.1;
- 2.12 **Eligibility Criteria** means the criteria as may be determined by the Compensation Committee, from time to time, for granting SARs to the Eligible Employees under this Scheme;
- 2.13 **Eligible Employee** means an Employee who has been granted SARs pursuant to this Scheme and, where the context so requires, includes legal heir(s) and/or the designated beneficiary(ies), whose details are provided in the Letter of Grant;
- 2.14 **Employee** means
- a) a permanent employee of the Company working in India or outside India; or
 - b) a Director whether a whole time director or not, but excluding an independent director; or
 - c) an employee as defined in clauses 2.14.a or 2.14.b of a Subsidiary, in India or outside India.
- But does not include:
- i. an employee who is a Promoter or a person belonging to the Promoter Group; or
 - ii. an independent director and;
 - iii. a 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.
- 2.15 **Exercise** means the tendering by an Eligible Employee of a notice in prescribed format for exercising the SARs, pursuant to the SARs Vested in him/her under this Scheme (“**Exercise Intimation Letter**”);
- 2.16 **Exercise Value** means the Market Value of the Shares deducted by all the administrative costs relating to the sale of Shares, including but not limited to the applicable securities transaction tax, brokerage, other taxes, surcharge, cess and other incidental administrative expenses;
- 2.17 **Exercise Windows** means the period of 5 (five) business days after completion of Vesting Period or such period as may be extended by Compensation Committee and intimated to the Trustee within which the Eligible Employees may exercise their SARs.
- 2.18 **Grant** means issue or award of SARs to the Eligible Employees under this Scheme, “**Granted**” and “**Granting**” shall be construed accordingly;
- 2.19 **Grant Date** means the date as determined by the Compensation Committee for the grant of SARs to the Eligible Employee under this Scheme and on which the Letter of Grant is issued to the Eligible Employee;
- 2.20 **Letter of Grant** means a letter issued by the Trust and accepted by the Eligible Employee with respect to the SARs granted to such Eligible Employee based on the terms and



conditions stipulated in this Scheme and as suggested/ recommended by the Committee from time to time; It is hereby clarified that in case an Eligible Employee does not respond back with his non-acceptance on the Letter of Grant within 5 (five) business days from the date of its receipt, it shall be deemed to be accepted by such Eligible Employee.

- 2.21 **Market Value** means the average price of the Share on the sale of Shares pursuant to Vesting of SARs;
- 2.22 **Nominee** means any person appointed by the Eligible Employee pursuant to Clause 18.7 of the Scheme and recorded with the Trustee and the Compensation Committee in accordance with the format as provided in the Letter of Grant;
- 2.23 **Performance Metric** means the performance criteria required to be achieved by an Eligible Employee in each financial year, as determined by the Compensation Committee, based on criteria such as role and the level of the Eligible Employee, performance record, future potential of the Eligible Employee, balance number of years of service until normal retirement age and/or such other criteria that may be determined by the Committee at its sole discretion;
- 2.24 **Permanent Incapacity** means any disability 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 Committee based on a medical certificate from an expert identified by the Committee;
- 2.25 **Person** means any natural person, firm, company, governmental authority, joint venture, partnership, association or other entity (whether or not having separate legal personality);
- 2.26 **Pool** means the number of SARs that can be granted under the Scheme;
- 2.27 **Promoter** in reference to the Company shall have the same meaning assigned to it under the SEBI SBEB Regulations;
- 2.28 **Promoter Group** in reference to the Company shall have the meaning assigned to it under SEBI SBEB Regulations;
- 2.29 **SAR or stock appreciation right** means a right given to an Eligible Employee making him/her eligible, subject to approval of Compensation Committee, to receive appreciation for a specified number of Shares of the Company where the settlement of such appreciation may be made by way of cash payment or shares of the Company in accordance with this Scheme.
- 2.30 **Scheme** means the Infibeam Stock Appreciation Rights Scheme 2017 as set out herein and shall include any modification and variations thereof;
- 2.31 **SEBI** means the Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992, as amended;
- 2.32 **SEBI (SBEB) Regulations** means the Securities and Exchange Board of India (Share Base Employee Benefits) Regulations, 2014 and shall include any statutory amendments and modifications;
- 2.33 **Share** means the equity share of face value of Rs. 1 each of the Company, listed on the BSE Limited and the National Stock Exchange of India Limited;



- 2.34 **Shareholder** means a person who is registered as a shareholder in the Company's Register of Shareholders;
- 2.35 **Subsidiary** means a subsidiary company of the Company, as defined in the Companies Act, 2013, as amended;
- 2.36 **Trust** means the Infibeam Employees Welfare Trust set up to administer the Schemes therein from time to time in the manner specified in the Trust Deed;
- 2.37 **Trustee** means the trustee of the Trust;
- 2.38 **Trust Deed** means the deed under which the Trust is set up;
- 2.39 **Vesting Date** in relation to a SAR means the date that is subject to a minimum of 1 (one) year and maximum of 5 (five) years from the Grant Date or such further period as may be decided by Compensation Committee and communicated to the Trustee in writing but at no point of time shall be less than as prescribed in SEBI (SBEB) Regulations;
- 2.40 **Vesting** means the process by which the Eligible Employee or the beneficiary(ies), as the case may be is given the right to Exercise the SARs granted to him/ her pursuant to this Scheme, "Vested" shall be construed accordingly;
- 2.41 **Vesting Period** means the period between Grant Date and Vesting Date;

3. INTERPRETATION

In this document, unless the contrary intention appears:

- 3.1 the Clause headings are for ease of reference only and shall not be relevant to interpretation;
- 3.2 Words in the the singular includes the plural and vice versa;
- 3.3 Any word or expression importing a gender includes any other gender;
- 3.4 any reference to a clause, sub-clause, paragraph or annexure is, unless indicated to the contrary, a reference to a clause, paragraph or annexure of this Scheme; and
- 3.5 References in this Scheme to statutory provisions shall be construed as references to those provisions as modified or re-enacted from time to time (whether before or after the date of this Scheme) and to any subordinate legislation made under such provisions and shall include references to any repealed statutory provision which has been so re-enacted (whether with or without modification).

4. APPLICABILITY AND TERM

- 4.1 The Scheme applies only to the Eligible Employees, as selected by the Compensation Committee. This Scheme shall become effective from the date of approval of the Scheme by the Shareholders ("Effective Date").



4.2 The Scheme shall continue to be in force until the date on which all the SARs available for issuance under the Scheme have been extinguished and/or have lapsed and the Compensation Committee does not intend to re-issue the lapsed SARs or the Compensation Committee in its absolute discretion decides to terminate the Scheme.

4.3 The Compensation Committee may, subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate this Scheme.

5. SCOPE AND ELIGIBILITY; SARs/SHARES SUBJECT TO THE SCHEME

5.1 The maximum aggregate number of Shares that may be acquired from the secondary market by the Trust in a financial year and thereby the SARs that may be Granted in a financial year under the Scheme shall not exceed the limit as specified under Regulation 3(10) of the SEBI (SBEb) Regulations. Further, the Trust shall at no time hold Shares (acquired from the secondary market) more than the limit as specified under Regulation 3(11) of the SEBI (SBEb) Regulations.

5.2 The Compensation Committee shall determine the Grant in its absolute discretion.

6. IMPLEMENTATION

6.1 This Scheme shall be operated and administered by the Committee and the Trust.

6.2 Subject to availability of required funds by the Trust, the Scheme shall be implemented as per the provisions of this Scheme elaborated hereunder and Applicable Laws.

6.3 All the actions required to be effected pursuant to the Scheme will be undertaken by the Committee.

7. CREATION OF THE TRUST

7.1 The Company shall set up the Trust in accordance with the terms and conditions of this Scheme and in accordance with the SEBI (SBEb) Regulations.

7.2 The Trust Deed would provide, *inter alia*, that the Trust would be authorised to purchase Shares from the secondary market or via primary allotment in accordance with the Trust Deed for the purposes of the Scheme and for the benefit of the Eligible Employees in accordance with this Scheme and Applicable Laws. The Shares shall be dealt with by the Trust in accordance with Applicable Laws, including the SEBI (SBEb) Regulations. The activities of the Trust will be carried out in accordance with Applicable Laws, including the SEBI (SBEb) Regulations.

7.3 The Trust Deed shall authorize the Trustee to borrow funds from the Company, employees, outside lenders including banks, for the purpose of purchasing the Shares, however in accordance with the Applicable Laws.

7.4 The Company through the Compensation Committee will provide loan to the Trust to purchase Shares from secondary market or via primary allotment. The total amount of loan which can be outstanding at any point of time, shall not exceed INR 500,000,000 (Indian Rupees Five Hundred million) or such higher amount as may be sanctioned by the Board (in accordance with the Applicable Laws including the applicable provisions of the Companies Act, 2013), taking into account any potential increase in the market price of the Equity Shares of the Company, for acquisition of Equity Shares of the Company from the secondary market



representing upto 5% of the paid up capital of the Company for the purpose of implementation of the Scheme 2017, subject to overall limits, if any, specified the SBEB Regulations. The tenure thereof will be 5 (five) years from the date of disbursement which may be extended by a further period of 5 years by the Compensation Committee as may be mutually agreed between the parties. The repayment terms shall be mutually determined between the Compensation Committee and the Trustee(s).

- 7.5 The loan will be utilised by the Trust for acquisition of shares of the Company for the purpose of implementation and administration of the Scheme 2017 in accordance with the SBEB Regulations and other applicable laws.
- 7.6 Subject to applicable law, including the applicable provisions of the Companies Act, 2013 and the rules framed thereunder, the interest rates shall be as agreed between the Company and the Trust on an annual basis for every financial year within 3 months of end of the previous financial year provided that such interest rate shall be equal to the average interest rate incurred, if any, by the Company in the relevant previous financial year.

8. ADMINISTRATION

- 8.1 The Scheme shall be administered by Compensation Committee and the Trust. All questions of interpretation of the Scheme or any SAR shall be determined by the Compensation Committee and such determination shall be final and binding upon all persons having an interest in the Scheme or such SARs.
- 8.2 The Committee shall consist of such number of members as may be determined by the Board from time to time. The Committee, in exercise of its powers, may require any information from the Board / the Company and / or seek any assistance from any Eligible Employee as it may deem fit, to fully and effectively discharge its duties and responsibilities.
- 8.3 The Compensation Committee shall in accordance with this Scheme and Applicable Law determine the following:
- a) The quantum of SARs to be granted under this Scheme, per Eligible Employee, and in aggregate, in compliance with the Applicable Law;
 - b) The Eligibility Criteria, *inter alia*, taking into consideration the grade, performance, merit, future potential contribution, criticality of the function, conduct of the Employee, while deciding to Grant to the Eligible Employees;
 - c) The Exercise Window, i.e. the specified time period within which the Eligible Employee is required to exercise the Vested SARs;
 - d) The procedure for making a fair and reasonable adjustment in case of Corporate Actions;
 - e) The procedure and terms for the Grant, Vesting and Exercise of SARs in case of Eligible Employees who are on long leave;
 - f) Determine the conditions that need to be fulfilled in order to have the SARs vest in an Eligible Employee and/or any conditions subject to which such Vesting may take place and may lapse in case of termination of employment for misconduct;
 - g) To lay down a method for satisfaction of any tax obligation arising in connection with the Exercise of SARs in compliance with Applicable Law;



- h) To provide for the Grant, Vesting and Exercise of SARs in case of an Eligible Employee whose services have been seconded to any company within the Infibeam group subject to such group company being classified either as a holding or subsidiary or associate company of Infibeam in accordance with the SEBI SBEB Regulations;
- i) To obtain permissions from, and making periodic reports to, the regulatory authorities, as may be required and ensuring compliance with the Applicable Law;
- j) To appoint consultants, intermediaries/ advisors or bankers as may be required to be appointed for the purpose of implementation of this Scheme and to determine the terms and conditions of their appointment including particulars relating to fees, commission etc.;
- k) Finalize, approve and authorize executives of the Company to execute various agreements, deeds, writings, confirmations, undertakings, indemnities or other documents as may be necessary, under the common seal of the Company, with any party including legal advisors, accountants, bankers or others for the purposes of this Scheme and accept modifications, changes and amendments to any such documents/ agreements;
- l) To frame suitable policies and systems to ensure that there is no violation of any Applicable Law and to determine the suitable amendments, modifications or steps required to be made to this Scheme, as required under Applicable Law;
- m) To provide for any statutory, contractual, regulatory or such other matters as may be necessary for the administration and implementation of this Scheme in accordance with Applicable Law; and
- n) Such other matters in respect of which the Compensation Committee is required to formulate terms and conditions under Applicable Laws.

8.4 In the event of any clarifications being required on the interpretation or application of the Scheme, the same shall be referred to the Compensation Committee. The decision of the Compensation Committee shall be final and binding on the Employees in this regard.

8.5 With regard to the matters specifically not provided for in this document or any other documents that may be issued in connection with the SARs, the Compensation Committee shall have an absolute discretion to decide such matters in the manner deemed fit by them in the best interests of the Eligible Employees and the Company as may be permissible under the Applicable Laws. The decision of the Compensation Committee, shall be final and binding on the Eligible Employees.

8.6 The Compensation Committee shall have the right to settle the SARs upon exercise, by way of Shares (instead of cash), in which case the Compensation Committee shall take all steps required under the Applicable Law to enable such settlement by way of Shares, including to undertake any amendment of the Scheme and other documents related to the Scheme including making provision for adjustment of fractional shares rounded off to the lower end for settling such appreciation.

8.7 Any dispute or disagreement which shall arise under, or as a result of, or pursuant to, or in connection with this Scheme shall be referred to the Compensation Committee and shall be



determined by it from time to time. All such determination / decision / interpretation by the Compensation Committee shall be final and binding on all the Employees affected thereby.

- 8.8 No member of the Board and/ or Committee shall be personally liable for any decision or action made in good faith with respect to this Scheme. The members of the Committee and/or the Board shall abstain from participating in and deciding matters that directly affect their individual interests under this Scheme. In such a case, the deciding authority shall rest with the remaining members of the Committee and/or the Board, as the case may be.
- 8.9 The members of Committee, and their powers and functions can be specified, varied, altered or modified from time to time by the Board, subject to the Applicable Laws.

9. GRANT OF SARs

- 9.1 The Scheme shall be applicable to the Employees and hence the SARs may be granted to the Employees of the Company and its Subsidiaries as determined by the Compensation Committee at its sole discretion, in accordance with Applicable Laws, and which decision shall be final and binding on all concerned. The Grant and Vesting of SARs to non-residents as above will be subject to the approval, if any, required from the Reserve Bank of India or as prescribed under the applicable provisions of the Foreign Exchange Management Act, 1999, or any other regulatory body.
- 9.2 The maximum number of SARs to be granted to any employee under the Scheme 2017, in any financial year and in aggregate shall be as determined by the Compensation Committee. However, the number of SARs that may be granted to a single employee under the Scheme 2017 shall not exceed equity shares representing 1% of the paid up equity share capital as on March 31, 2017 (which number shall be adjusted in lieu of adjustments/ re-organisation of the capital structure of the Company from time to time). The aggregate of all such SARs under the Scheme 2017 shall not exceed equity shares representing 5% of the paid up equity share capital as on March 31, 2017 (which number shall be adjusted in lieu of adjustments/ re-organisation of the capital structure of the Company from time to time).
- 9.3 All Employees to whom the Compensation Committee decides to Grant the SARs would be informed about the same by way of a written communication through the Letter of Grant duly signed by the authorized signatory of the Trustee.
- 9.4 Each financial year, the SARs granted to an Eligible Employee shall be subject to upward adjustment depending upon the achievement of Performance Metrics.
- 9.5 Notwithstanding Clause 9.4, the Compensation Committee shall have the power to adjust the SARs regardless of the Performance Metrics by duly notifying the Eligible Employee, in accordance with Applicable Laws.

10. VESTING

- 10.1 The Vesting Date shall be as defined in clause 2.39 above.
- 10.2 The SARs would vest not earlier than one year and not later than five years from the date of grant of SARs or such other period as may be determined by the Compensation Committee. The vesting schedule (i.e. exact proportion in which and the exact period over which the SARs would vest) would be determined by the Compensation Committee, subject to the



minimum vesting period of one year from the date of grant of SARs. The SARs granted under the Scheme 2017 shall vest in one or more tranches.

- 10.3 Vesting of SARs will happen on expiration of the period mentioned in Clause 10.1 above, except in the following cases :
- a) if, subject to the completion of the minimum vesting period of one year, but prior to the completion of five years, an Eligible Employee were to retire, in that case, the date of retirement shall be the date of Vesting or
 - b) in the event of demise or Permanent Incapacity of the Eligible Employee where the vesting will happen in accordance with Clause 11.1.
- 10.4 The Compensation Committee shall be empowered to amend the Vesting conditions as it may deem fit, subject to the Applicable Law, and duly notify the Eligible Employee regarding such amendment.
- 10.5 In case of Vesting prior to retirement, as determined by the Committee, the Vesting process as mentioned above shall *inter alia* be subject to the condition that the Eligible Employee is in continuous employment of the Company, and is (i) not serving any notice of resignation; or (ii) not under disciplinary proceedings, on the date of Vesting, except in the case of death or Permanent Incapacity suffered by an Eligible Employee.
- 10.6 Notwithstanding the above, the Committee may (i) not Vest any of the SARs already granted or (ii) Vest such lesser number of SARs than as already granted, in the event it is found that the Eligible Employee has not satisfied any Vesting condition or has not performed up to the expectations or has not been regularly attending the office for a substantial period of time without any valid reason or authority or has been put on a modified employment arrangement such as part-time working, re-assignment to lower accountability, leave without pay, or is found to be guilty of fraud or misconduct or has violated the Company policies/terms of employment or the code of conduct or on account of such other circumstances as the Committee may in its absolute discretion decide.
- 10.7 SARs not vested due to non-fulfillment of the vesting conditions or not exercised shall lapse and these SARs will be available for grant under the present Scheme 2017, subject to compliance with Applicable Laws.
- 10.8 In case of the Eligible Employees who take a sabbatical, the Committee may Vest such lesser number of SARs than as already granted, as it may in its absolute discretion decide.

11. ACCELERATED VESTING

- 11.1 In the event of the death or the Permanent Incapacity of an Eligible Employee prior to the retirement in accordance with the terms of employment, the SARs will Vest in the Nominee of such Eligible Employee or the Eligible Employee, as the case may be, a) on the date of the death or the Permanent Incapacity, as the case may be or b) on the completion of one year from the date of Grant of SARs, whichever is later. The Appreciation Amount on the SARs held by the Eligible Employee on such date of Vesting will be paid to the Nominee or the Eligible Employee, as the case may be, in accordance with Clause 12 of this Scheme.



12. EXERCISE AND REALISATION OF SARs

- 12.1 Upon Vesting of SARs, the Trustee shall sell such number of Shares which are relatable to the Vested SARs standing to the account of the Eligible Employee on the Vesting Date. Provided that, the Trustee shall sell the Shares only when the Exercise Value is at least 20% above the Base Value (or such other % above the Base Value as determined by the Compensation Committee) and to the said extent the Vesting Date shall automatically stand extended. Each SAR shall confer the right on the eligible employee to receive appreciation with respect to the underlying Equity Share on the entitled shares after it has been exercised in accordance with terms of the Scheme 2017. In case of settlement of SAR by way of equity, the Trustee shall sell only such number of Shares as may be required to meet the cost including proportionate loan amount, charges and obligation arising out of the Shares allocated to a given SAR.
- 12.2 Following the actions mentioned under Clause 12.1, the Appreciation Amount relatable to such Vested SARs shall be paid to the Eligible Employee/Nominee/heir/ successor, as the case may be. The Appreciation Amount paid to each Eligible Employee / Nominee shall be conveyed to the Eligible Employee /Nominee in the form set out in Schedule I. The appreciation amount could be paid either in the form of cash settlement or equity settlement as per the form set out in Schedule I.
- 12.3 Apart from the Appreciation Amount on realisation of the SARs upon happening of any of the specific events mentioned in Clause 10 or Clause 11, the Company shall not be liable to make any further payments under this Scheme.

13. RIGHTS AS A SHAREHOLDER

- 13.1 No Eligible Employee shall have a right to receive any dividend or vote at any general meeting of the Company or in any manner enjoy the benefits of a shareholder in respect of SARs granted or vested in the Eligible Employee.
- 13.2 Any benefit or interest arising out of the Shares held by the Trust shall be utilised by the Trustees to achieve the objects of the Trust only. No Trustees of the Trust are entitled to vote in respect of the equity shares held by the Trust. Thus, no person shall be entitled to exercise the voting rights in respect of the equity shares purchased or otherwise held by the Trust under the Scheme.

14. AUTHORITY TO VARY/MODIFY TERMS

- 14.1 Subject to Applicable Law, the Compensation Committee shall, at its absolute discretion, have the right to vary / modify / amend the Scheme, in such manner and at such time or times as it may deem fit, subject however that any such modification/amendment shall not be detrimental to the interests of the Eligible Employees and approval for such modification and/or the amendment, if and to the extent required, is obtained from the Shareholders of the Company. In the event that the Compensation Committee is making grants to foreign national/resident Employees, then the Compensation Committee is authorised to make such modifications, amendments, procedures, sub schemes and the like as may be necessary or advisable to comply with the provisions of applicable laws in the countries or jurisdictions in which such Employees to whom SARs are granted are situated, as may be required under Applicable Laws.
- 14.2 Such right to vary/ modify / amend this Scheme as and when required will be subject as always to SEBI (SBEB) Regulations and other Applicable Laws.



15. TRANSFERABILITY OF SARs

The SARs cannot be assigned, alienated, pledged, attached, hypothecated, sold or otherwise transferred or encumbered by the Eligible Employee, except as otherwise permitted under Applicable Laws and specified in this Scheme. Any purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance not permitted herein shall be void and unenforceable against the Company.

16. CORPORATE ACTION

In the event of change in control of the Company or Corporate Action, a Grant made under the Scheme shall be subject to adjustment by the Board/Committee at its discretion as to number of SARs or Vesting Period as the case may be, in accordance with Applicable Laws. The decision of the Board/Committee, in this regard, shall be final and binding.

17. TERMINATION AND ABANDONMENT OF EMPLOYMENT

17.1 In the event of termination of employment of the Eligible Employee due to Cause, all the SARs shall lapse on the termination of employment of the Eligible Employee and shall revert to the Pool. The Company shall not have any further obligations towards the Eligible Employee towards such lapsed SARs. The Compensation Committee may Grant such lapsed SARs to any Eligible Employee in accordance with the Scheme, at its sole discretion.

17.2 Provided that if the Eligible Employee's termination (without Cause) or resignation on account of an amicable separation, the unvested SARs shall Vest as may be determined by the Committee in its absolute discretion provided they do not contravene the SEBI SBEB Regulations.

17.3 In the event of abandonment of employment by an Eligible Employee without the Company's consent, all SARs granted to such Eligible Employee shall lapse with immediate effect. The Committee, at its sole discretion shall decide the date of abandonment of employment by Eligible Employee and such decision shall be final and binding on all concerned.

18. MISCELLANEOUS

18.1 The inability of the Company to obtain authority from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful issuance of the SARs shall relieve and wholly discharge the Company of any and all liability in respect of the failure to issue the SARs.

18.2 The Grant does not form part of the Eligible Employee entitlement to compensation or benefits pursuant to the contract of employment nor does the existence of a contract of employment between any person and the Company give such person any right or entitlement to have a SAR granted to him in respect of any number of shares or any expectation that a SAR might be granted to him whether subject to any condition or at all.

18.3 Neither the existence of this Scheme nor the fact that an individual has on any occasion been granted a SAR shall give such individual any right, entitlement or expectation that he has or will in future have any such right, entitlement or expectation to participate in this Scheme by being granted a SAR on any other occasion.

18.4 The rights granted to an Eligible Employee upon the grant of a SAR shall not afford the Eligible Employee 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).

- 18.5 All Eligible Employees and the Trust shall abide by all rules mentioned in the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015, as amended and the Code of Conduct of the Company drafted pursuant to the said regulations, to ensure that there is no violation of policies and systems framed by the rules mentioned there under. In case of any default on part of any party to this Scheme, the decision of the Compensation Committee would be final.
- 18.6 Nothing contained in the Scheme in any Grant made hereunder shall:
- a) Confer upon the Employees any rights with respect to continuation of employment or engagement with the Company and/or its Subsidiaries, or
 - b) Interfere in any way with the rights of the Company and/or its Subsidiaries to terminate the employment or services of any Employee at any time for Cause.
- 18.7 The Eligible Employee may appoint any person(s) as Nominee for the purpose of receiving the Appreciation Amount upon his death, subject to the terms and conditions of this Scheme. The Eligible Employee shall appoint such Nominee by submitting a letter in the form specified by the Compensation Committee in this regard. The Eligible Employee has the right to revoke / change such nomination subject to the said changes being communicated to the Trustee in writing. In case of the death of any Eligible Employee who has not nominated any person(s), the SARs granted shall be exercisable by the legal heir(s) / successor(s) of such Eligible Employee, provided however that the legal heir(s) / successor(s) shall be required to produce/furnish to the Company all such documents / indemnities as may be required by the Company to prove the succession to the assets of the deceased Eligible Employee.
- 18.8 All disputes arising out of or in connection with the Scheme or the Grant which cannot be resolved as per Clause 8.7 within 30 days from the date of its reference to the Compensation Committee may be referred for arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The place and seat of Arbitration shall be Ahmedabad, India and the proceedings thereof shall be conducted in English.
- 18.9 Nothing contained in this Scheme shall be construed to prevent the Company from taking any Corporate Action or undertaking a change in capital structure which is deemed by the Company to be appropriate or in its best interest, in accordance with Applicable Laws and that no Eligible Employee, beneficiary(ies) or other person shall have any claim against the Company as a result of such action
- 18.10 Nothing contained in this Scheme shall be construed to prevent the Company directly or through any trust settled by Company, from implementing any other new employee ownership schemes 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 this Scheme or any Grant made under this Scheme. No Eligible Employee or other person shall have any claim against the Company and / or trust as a result of such action.

19. REGULATORY APPROVALS

The Scheme shall be subject to such regulatory approvals as may be required from time to time and the Scheme shall, at all times, comply with the provisions of the Applicable Laws. In the event of any difference between the provisions of the Scheme and the Applicable Laws,



the provisions of Applicable Laws shall prevail over the Scheme and the provisions of the Scheme shall be deemed to have been amended so as to be read in consonance with the Applicable Laws.

20. DEDUCTION/RECOVERY OF TAX

20.1 All expenses, stamp duty and taxes in relation to acquisition of SARs and Exercise of SARs, will be to the Eligible Employee's account. The amount received by the Eligible Employee on Exercise of SARs shall be considered as deferred wage payment in the hands of such Eligible Employee and shall be taxed accordingly. The Company shall have the right to deduct/recover from the Eligible Employee, in connection with all Grants, any taxes required by law to be deducted at source/paid and to require any payments necessary to enable it to satisfy such obligations.

20.2 The Company shall have the right to deduct from the Eligible Employee's salary or otherwise recover from the Eligible Employee, any of the Eligible Employee's or Employer's tax obligations arising in connection with the SAR. Neither the Company nor the Trust shall have any obligation whatsoever to deliver SAR until such tax obligations have been satisfied by the Eligible Employee. In the event of any amendments or modifications to the provisions of the Income Tax Act, 1961 and/or the rules framed there under as existing on the dates of this Scheme, the Compensation Committee shall have the power to amend or modify this Scheme at a suitable time without consent of the Employees, in order to ensure that the Company is in the same position as it would have been, had the amendments or modifications in the Income Tax Act, 1961 and/or rules framed there under have not been made.

21. CONFIDENTIALITY

21.1 Eligible Employees shall keep the details of the SARs granted to them strictly confidential and shall not share/disclose the same with/to any other person. In case of non-adherence to the provisions of this Clause, the Compensation Committee shall have the authority to deal with such cases as it may deem fit in its absolute discretion.

21.2 The Company reserves the right to disclose the details of SARs granted to its Employees in general or in particular, as may be required under Applicable Laws or otherwise.

22. NO RIGHT TO SHARES

Neither the adoption of the Scheme nor any action of the Compensation Committee shall be deemed to give the Employees any right to Shares or to any other rights except as may be evidenced by a Letter of Grant.

23. NOTICES

All notices of communication required to be given by the Company to a Eligible Employee by virtue of this Scheme shall be in writing and shall be sent to the address of the Eligible Employee available in the records of the Company and any communication to be given by an Eligible Employee to the Company in respect of Scheme shall be sent to the address mentioned below:

To
Infibeam Employee Welfare Trust,
Trustee : Barclays Wealth Trustees (India) Private Limited,
208, Ccejay House, Shivsagar Estate, Dr A B Road, Worli, Mumbai 400018, India



24. GOVERNING LAW AND JURISDICTION

- 24.1 The terms and conditions of the Scheme shall be governed by and construed in accordance with the laws of India.
- 24.2 The Courts of India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of the Scheme.
- 24.3 Nothing in this Clause will however limit the right of the Company to bring proceedings against any Employee in connection with the Scheme:
- a) in any other Court of competent jurisdiction; or
 - b) concurrently in more than one jurisdiction.

25. ACCOUNTING AND DISCLOSURE POLICIES

The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

