



## Employee Stock Option Plan 2010

CarTrade Tech Limited

## **SALIENT FEATURES OF THE SCHEME**

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## **1. Name, Objective and Term of the Plan**

- 1.1 This Plan shall be called the “CarTrade Tech Limited ESOP 2010”.
- 1.2 The objective of the ESOP 2010 is to motivate the Employees 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.
- 1.3 The ESOP 2010 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 ESOP 2010 have been issued and Exercised.
- 1.4 The Board of Directors may subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the ESOP 2010.
- 1.5 The ESOP 2010 will be further amended in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and will then be effective on approval by the members of Nomination and Remuneration Committee and Board of Directors at their meeting held on August 27, 2022 and shall continue to be in force until the date on which all of the Employee Stock Options available for issuance under the ESOP 2010 have been issued and Exercised.

## **2. Definitions and Interpretation**

### **2.1 Definitions**

- i. **“Applicable Law”** means every law relating to Employee Stock Options, including, without limitation to, the Companies Act, 2013 as amended, Securities Exchange Board of India Act, 1992 as amended, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including any circulars, guidelines and rules issued thereunder 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. **“Associate Company”** means a company (present or future) which shall have the same meaning as defined under section 2(6) of the Companies Act, 2013 (18 of 2013).
- iii. **“Board”** means the Board of Directors of the Company.
- iv. **“Companies Act”** means The Companies Act, 2013 and includes any statutory modifications or reenactments thereof.
- v. **“Company”** means “CarTrade Tech Limited” (formerly known as MXC Solutions India Private Limited incorporated under the Companies Act, 1956, and having its registered office at 12<sup>th</sup> Floor Vishwaroop IT Park, Sector 30A, Vashi, Navi Mumbai 400705.
- vi. **“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 (HR Policy).
- vii. **“Nomination and Remuneration Committee”** means a committee of such members of the Board, whose function includes to administer and supervise the ESOP 2010 and other employee benefit plan/schemes, comprising of such members of the Board as provided under section 178 of the Companies Act, 2013
- viii. **“Control”** shall have the same meaning as defined under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- 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 Board and/or the Nomination and Remuneration Compensation Committee for Granting the Employee Stock Options to the Employees.
- xi. **“Employee”** means
  - i) an employee as designated by the company, who is exclusively working in India or outside India; or

(ii) a director of the company, whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or

(iii) an employee as defined in sub-clauses (i) or (ii), of a group company including subsidiary or its associate company, in India or outside India, or of a holding company of the company, but does not include—

(a) an employee who is a promoter or a person belonging to the promoter group; or

b) a director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company;

- xii. **“Employee Stock Option” or “Option”** means the Option Granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the shares underlying the Option at a pre-determined price.
- xiii. **“Exercise”** of an Option means expression of an intention by an Employee to the Company to purchase the Shares underlying the Options Vested in him, in pursuance of the ESOP 2010, in accordance with the procedure laid down by the Company for Exercise of Options.
- xiv. **“Exercise Period”** means such time period after Vesting within which the Employee should Exercise the Options Vested in him in pursuance of the ESOP 2010.
- xv. **“Exercise Price”** means the price payable by an Employee in order to Exercise the Options Granted to him in pursuance of the ESOP 2010 subject to, to the extent applicable, conforming to the accounting policies specified in the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The Exercise Price shall be set out in the notice of stock option grant set out in the Letter of Grant issued to the Option Grantee pursuant to this ESOP 2010.
- xvi. **“Fair Market Value” or “FMV”** means as of any date till the Company is listed, the value of a Share as determined by an independent valuer and after the Company gets listed, the closing Market Price on the date prior to the date of Grant of the Option.

- xvii. **“Grant”** means issue of Options to the Employees under the ESOP 2010.
- xviii. **“Grant Date”** means the date on which the Nomination & Remuneration Committee approves the grant or any other date after the approval as mentioned in the grant letter. For accounting purposes, the grant date will be determined in accordance with applicable accounting standards.
- xix. **“Group”** means two or more companies (present or future) which, directly or indirectly, are in a position to—
  - (i) exercise twenty-six per cent. or more of the voting rights in the other company; or
  - (ii) appoint more than fifty per cent. of the members of the Board of Directors in the other company; or
  - (iii) control the management or affairs of the other company;
- xx. **“Independent Director”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- xxi. **“Key Managerial Personnel”** shall have the same meaning as defined under section 2(51) of the Companies Act, 2013 (18 of 2013);
- xxii. **“Letter of Grant”** document given to the Option Grantee at the time of Grant of Options pursuant to this ESOP 2010 setting out the details of the Grant including date of Grant, conditions to Vesting, Exercise Price and other relevant details;
- xxiii. **“Listing”** means listing of the Company’s Share on any recognized Stock Exchange in India which includes initial public offer of Shares as per Applicable Laws
- xxiv. **“Market Price”** means the latest available closing price, prior to the date of meeting of the Board of Directors in which Options are Granted/shares are issued, on the stock exchange on which the shares of the Company are listed.
- xxv. **“Option Grantee”** means an Employee who has been Granted an Employee Stock Option in pursuance of the ESOP 2010.

- xxvi. **“Parent Company”** means any future holding company of the Company.
- xxvii. **“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 Board based on a certificate of a medical expert identified by the Board.
- xxviii. **“Promoter”** shall have such meaning as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;
- xxix. **“Promoter Group”** shall have such meaning as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;
- xxx. **“Recognised Stock Exchange”** means the BSE, NSE or any other Stock Exchange in India on which the Company’s Shares are listed or to be listed.
- xxxi. **“Retirement”** means retirement as per the rules of the Company.
- xxxii. **“Relative”** shall have the same meaning as defined under section 2(77) of the Companies Act, 2013 (18 of 2013).
- xxxiii. **“Scheme / Plan / ESOP 2010”** means this Employee Stock Option Plan 2010 under which the Company is authorised to Grant Employee Stock Options to the Employees.
- xxxiv. **“SEBI Act”** means the Securities & Exchange Board of India Act, 1992 as amended, and includes all regulations and clarifications issued there under.
- xxxv. **“SEBI Guidelines”** means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and includes all regulations and clarifications issued there under.
- xxxvi. **“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

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- xxxvii. “Securities” means securities as defined in section 2(h) of the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- xxxviii. “**Shares**” means equity shares of the Company arising out of the Exercise of Employee Stock Options Granted under the ESOP 2010.
- xxxix. “**Subsidiary Company**” means any present or future subsidiary company of the Company, as defined in the Companies Act, 1956.
- xl. “**Vesting**” means earning by the Option Grantee, of the right to Exercise the Employee Stock Options Granted to him in pursuance of the ESOP 2010.
- xli. “**Vesting Condition**” means any condition subject to which the Options Granted would Vest in an Option Grantee.
- xlii. “**Vesting Period**” means the period during which the Vesting of the Employee Stock Option Granted to the Employee, in pursuance of the ESOP 2010 takes place.
- xliii. “**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.
- xliv. “**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.

## 2.2 Interpretation

In this Plan, 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.

### **3. Authority and Ceiling**

- 3.1 The Board have resolved to issue to Employees under ESOP 2010, Employee Stock Options exercisable into Equity Shares of the Company, with each such Option conferring a right upon the Employee to apply for one equity share of a face value of Rs.10 each, of the Company, in accordance with the terms and conditions of such issue.
- 3.2 If an Employee Stock Option expires or becomes unexercisable due to any other reason, it shall transfer to new ESOP 2021 I and become available for future Grants from ESOP 2021 I, subject to compliance with all Applicable Laws.
- 3.3 In case of a share-split where the face value of the shares is reduced below Rs. 10, the maximum number of shares available for being Granted under ESOP 2010 shall stand modified accordingly, so as to ensure that the cumulative face value prior to such split remains unchanged after the share split.

### **4. Administration**

- 4.1 The ESOP 2010 shall be administered by the Board and/or the Nomination and Remuneration Compensation Committee. All questions of interpretation of the ESOP 2010 or any Employee Stock Option shall be determined by the Board and/or the Nomination and Remuneration Compensation Committee and such determination shall be final and binding upon all persons having an interest in the ESOP 2010 or such Employee Stock Option.
- 4.2 **Nomination & Remuneration Committee/** The Board shall in accordance with this Plan and Applicable Laws determine the following:
  - (a) The quantum of Employee Stock Options to be Granted under the ESOP 2010 per Employee, subject to the ceiling as specified in Para 3.1;
  - (b) The Eligibility Criteria;
  - (c) the kind of benefits to be granted under ESOP 2010;

- (d) 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;
  - (e) The procedure and terms for the Grant, Vest and Exercise of Employee Stock Option in case of Employees who are on long leave;
  - (f) The procedure for cashless Exercise of Employee Stock Options, if required;
  - (g) Approve forms, writings and/or agreements for use in pursuance of the ESOP 2010.
  - (h) the procedure for buy-back of specified securities issued under these regulations, if to be undertaken at any time by the company, and the applicable terms and conditions, including:
    - (i) permissible sources of financing for buy-back;
    - (j) any minimum financial thresholds to be maintained by the company as per its last financial statements;
    - (k) limits upon quantum of specified securities that the company may buy-back in a financial year; and
    - (l) Any other related or incidental matters.
- 4.3 The **Company** shall obtain permissions from, and making periodic reports to, relevant regulatory authorities, as may be required and ensure compliance with all Applicable Laws in respect of this ESOP 2010.

## **5. Eligibility and Applicability**

- 5.1 Only Employees are eligible for being Granted Employee Stock Options under ESOP 2010. The specific Employees to whom the Options would be Granted and their eligibility criteria would be determined by the Board and/or the Nomination and Remuneration Committee.
- 5.2 The Scheme shall be applicable to the Company, its Subsidiary Companies in India and abroad, its Holding Company, Associate Company, Group Company (present or future) and any successor Company thereof and may be Granted to the Employees and Directors of the Company, its subsidiaries and its holding Company, Associate Company,

Group Company (present or future), as determined by Nomination & Remuneration Committee /the Board on its own discretion.

## **6. Vesting Schedule / Conditions**

Options Granted under ESOP 2010 would Vest not less than one year and not more than five years from the date of Grant of such Options. Vesting of Options would be subject to continued employment with the Company or the Holding Company or its Subsidiary Company or Associate Company or Group Company and thus the Options would Vest on passage of time. In addition to this, the Board and/or the Nomination and Remuneration 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.

In the event of death or permanent incapacity of an Employee, the minimum vesting period of one year shall not be applicable and in such instances, the options shall vest on the date of the death or permanent incapacity in accordance with Clause 7.3.

## **7. Exercise**

a) The Exercise Price shall be equal to either of the following as decided by the Board:

1. the FMV as certified by an independent valuer, or
2. Up to 50% discount to the FMV

The Board may round off the price to the nearest rupee.

Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company, or in such other manner as the Board may decide.

Further no amount shall be payable by the option grantee at the time of grant and hence no amount is required to be forfeited even if an employee does not exercise the options within exercise period and accordingly no adjustment is required to be made for the same.

- b) The Employee Stock Options Granted shall be capable of being Exercised as per the provisions outlined in the table below:

		Prior to Listing	Post Listing
<b>Vested Options</b>			
1	<b>While in Employment</b>	Can be Exercised either after 1 <sup>st</sup> January 2016 or after listing on a Recognised Stock Exchange, whichever is earlier. However, the employee must exercise within three years from the date of listing on a Recognised Stock Exchange. Exercise is subject to the compliance of all applicable laws and all employees must have been employed for a minimum of two years in order to exercise vested option.	Can be Exercised within a period of 3 years from the date of Vesting.
2	<b>Resignation / Termination (other than due to misconduct or breach of company policies/terms of employment) / 1</b>	If any employee resigns within two years from the date of Employment, all Options which were not exercised at the time of resignation shall stand cancelled with effect from the last working day. If the resignation is after two years from the date of Employment then all vested options can be exercised either after 1 <sup>st</sup> January 2016 or after listing on a Recognised Stock Exchange, whichever is earlier. However, the employee must exercise within three years from the date of listing on a Recognised Stock Exchange. Exercise is subject to the compliance of all applicable laws.	All the Vested Options as on that date shall be exercisable by the Option Grantee before his last working day with the Company.
3	<b>Termination due to misconduct or due to breach of company policies or the terms of employment</b>	All the Vested Options which were not Exercised at the time of such termination shall stand cancelled with effect from the date of such termination.	All the Vested Options which were not Exercised at the time of such termination shall stand cancelled with effect from the date of such termination.
4	<b>Retirement / Early Retirement approved by the Company / Superannuation / 1</b>	All Vested Options can be Exercised by the Option Grantee immediately after the date of listing of the shares of the Company on a Recognised Stock Exchange, but in no event later than one month from the date of listing.	All Vested Options can be Exercised by the Option Grantee immediately after, but in no event later than one month from the date of such retirement.
5	<b>Death</b>	All Vested Options may be Exercised by the Option Grantee's nominee or legal heirs immediately after the date of listing of the shares of the Company on a Recognised Stock Exchange, but in no event later than three months from the date of listing.	All Vested Options may be Exercised by the Option Grantee's nominee or legal heirs immediately after, but in no event later than three months from the date of Death of the Option Grantee.

6	<b>Termination due to Permanent Disability</b>	All Vested Options may be Exercised by the Option Grantee or, in case of his death, the nominee or legal heirs, immediately after the date of listing of the shares of the Company on a Recognised Stock Exchange, but in no event later than one month from the date of listing.	All Vested Options may be Exercised by the Option Grantee or, in case of his death, the nominee or legal heirs, immediately after, but in no event later than one month from the date of such disability.
7	<b>Abandonment /2</b>	All the Vested Options shall stand cancelled.	All the Vested Options shall stand cancelled.
8	<b>Separation due to reasons other than those mentioned above /1</b>	The Board will decide whether the Vested Options on the date of separation can be Exercised by the Option Grantee or not, and such decision shall be final.	The Board will decide whether the Vested Options on the date of separation can be Exercised by the Option Grantee or not, and such decision shall be final.
<b>Unvested Options</b>			
1	<b>While in Employment</b>	The Options would continue to Vest as per the original Vesting schedule.	The Options would continue to Vest as per the original Vesting schedule.
2	<b>Resignation / Termination (other than due to misconduct or breach of company policies/terms of employment)</b>	All Unvested Options on the date of submission of resignation / termination shall stand cancelled with effect from that date.	All Unvested Options on the date of submission of resignation / termination shall stand cancelled with effect from that date.
3	<b>Termination due to misconduct or due to breach of company policies or the terms of employment</b>	All Unvested Options on the date of such termination shall stand cancelled with effect from that date.	All Unvested Options on the date of such termination shall stand cancelled with effect from that date.
4	<b>Retirement / Early Retirement approved by the Company / Superannuation</b>	All Unvested Options will stand cancelled as on the date of such retirement, unless otherwise determined by the Board subject to applicable law whose determination will be final and binding.	All unvested Options shall continue to vest in accordance with the respective vesting schedules and may be exercised by the Option grantee within the period as may be decided by the Nomination & Remuneration Committee.
5	<b>Death</b>	All Unvested Options will stand automatically vested and shall be exercised within such time frame as may be decided by the board or the Nomination and Remuneration Committee.	All unvested Options as on the date of death shall vest immediately and may be exercised by the Option grantee's nominee or legal heir/s within 1 year from the date of Death.
6	<b>Termination due to Permanent Disability</b>	All Unvested Options will stand automatically vested and shall be exercised within such time frame as may be decided by the board or the Nomination and Remuneration Committee	All unvested Options as on the date of such permanent disability 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 immediately after, but in no event later than 1 year from the date of such disability.

7	<b>Abandonment /2</b>	All the Unvested Options shall stand cancelled.	All the Unvested Options shall stand cancelled.
8	<b>Separation due to reasons other than those mentioned above /1</b>	All Unvested Options on the date of separation shall stand cancelled with effect from that date	All Unvested Options on the date of separation shall stand cancelled with effect from that date

/1 In case the employee fails to comply with any of the terms and conditions of the Company's HR Policy or his / her Employment Contract with the Company, then all options vested and unvested shall stand cancelled on such date as decided by the Board.

/2 The Board, at its sole discretion shall decide the date of cancellation of Options and such decision shall be binding on all concerned.

- c) If the Company does not have an IPO within six years from the date of the first Grant, the Scheme will be referred back to the Board. The Board will decide on the best course of action for settling the Vested Options.
- d) All live Options, if any, will lapse at the end of 10 (ten) years from the date of Grant of Options or 5 (five) years from the date of listing of the Company, whichever is later.
- e) Shares arising from Exercise of Options shall not be subject to any lock in period.
- f) **At all times** drag along or any other clause applicable to Promoters as per the Share Subscription Agreement and Share Holder agreement shall be applicable to option holders also. It is clarified that this sub-clause (f) shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.

g) **Drag along:**

At any time if the Company enters

(A) A transaction which results in acquisition by a third Person of the substantial assets or Shares of the Company, or

(B) Any consolidation, merger, reorganization or other similar transaction (whether in one or a series of transactions) resulting in third party ownership of more than 50% (fifty percent) of the voting share capital of the Company or the surviving entity, immediately following such transaction, after giving effect to

any conversion, exercise or exchange of any Securities convertible into or exercisable or exchangeable for, such voting Securities;

The Nomination and Remuneration Compensation Committee may, subject to the provisions of Applicable Laws, decide the action to be taken with respect to the unvested Options. The decision taken by the Nomination and Remuneration Compensation Committee shall be binding on all the Grantees. In respect of vested but unexercised Options, the Grantee will be required to Exercise the same on or prior to the cut-off date declared by the Board/ Nomination and Remuneration Compensation Committee to facilitate the transaction.

- h) Notwithstanding anything contained in the scheme, if the employee transfers his shares within one year from the date of exercising the Options, the employee shall give the Company an irrevocable Right of First Refusal (ROFR). The Company shall have the first right but not the obligation to purchase the shares from the employee at the Fair Market Value. If the Company has had a change of control event or an IPO, this clause will no longer apply. It is clarified that this sub-clause (h) shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.

- i) Exercise Procedure:

An Option Grantee wishing to Exercise the Options Vested in him, shall have to submit the Exercise Application (in the specified format which would be sent to him along with the Letter of Vesting) to such official(s) of the Company as may be intimated in the said Letter of Vesting. It is clarified that this sub-clause (i) shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.

The Options Vested in the Option Grantee could be Exercised by them within the Exercise Period in such number of tranche(s) as they may desire, either wholly or in parts.

An Option Grantee will be entitled to Exercise only one tranche of Options in a calendar month.

- j) Allotment Procedure:

On receipt of the exercise forms along with the exercise price, the Company will allot Shares to the Options Grantee. Such allotment of Shares shall not be later than 60 days from such receipt.

## **8. Shares**

8.1 All Shares allotted consequent to the Exercise of Options shall rank parri passu in all respects with then existing Shares of the Company.

8.2 Shares arising from Exercise of Options shall not be subject to any lock in period unless required under Applicable Law.

8.3 On becoming a shareholder, the Option Grantee will be subject to all the terms and conditions applicable to other equity shareholders of the Company as per the Articles of Association of the Company.

8.4 If at the time of Exercise of the Options, the Shares of the Company are listed then, subject to the approval of the stock exchanges, the Shares issued and allotted on Exercise of the Options shall be listed on BSE Limited and the National Stock Exchange of India Limited and such other Recognised Stock Exchanges on which the Shares of the Company are listed

## **9. Other Terms and Conditions**

9.1 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.

9.2 On becoming a shareholder, the Option Grantee will be subject to all the terms and conditions applicable to other shareholders as per the Articles of Association of the Company.

9.3 The Employee Stock Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

9.4 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 Clause 4.2(c) of ESOP 2010.



9.5 Employee Stock Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case clause 7(b) would apply.

9.6 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, in which case clause 7(b) would apply.

9.7 Method of Valuation - the Company will follow fair value method for computing the compensation cost, if any, for the options granted. The company will follow IFRS/ IND AS/ any other requirements for accounting of the Stock options as are applicable to the Company for the same.

#### **10. Deduction/Recovery of Tax**

The Company shall have the right to deduct from the Employee's salary, any of the Employee's or employer'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 to the Option Grantee until such tax obligations have been satisfied by the Option Grantee.

#### **11. Authority to vary terms**

The Board may, if it deems necessary, vary the terms of ESOP 2010, subject to the Applicable Laws.

#### **12. Miscellaneous**

##### **11.1 Government Regulations**

This ESOP 2010 shall be subject to all Applicable Laws, and approvals from governmental authorities.

##### **11.2 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.

11.3 The Grant of an Employee Stock Option does not form part of the Option Grantee's entitlement to compensation or benefits pursuant to his 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 an Employee Stock Option Granted to him in respect of any number of shares or any expectation that an Employee Stock Option might be Granted to him whether subject to any condition or at all.

- 11.4 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.
- 11.5 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).
- 11.6 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.

### **13. Notices**

All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOP 2010 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 ESOP 2010 shall be sent to the address mentioned below:

**CARTRADE TECH LIMITED**  
12<sup>th</sup> Floor Vishwaroop IT Park, Sector 30A,  
Vashi, Navi Mumbai 400705

### **14. Governing Law and Jurisdiction**

- 13.1 The terms and conditions of the ESOP 2010 shall be governed by and construed in accordance with the laws of India.

- 13.2 The Courts of Mumbai, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP 2010.
- 13.3 Nothing in this Clause will however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP 2010:
- (i) in any other court of competent jurisdiction; or
  - (ii) concurrently in more than one jurisdiction.

**15. Accounting Policy**

The Company shall, to the extent applicable, follow the “Guidance Note on Accounting for Employees 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, in compliance with relevant provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

**16. Certificate from Secretarial Auditors**

To the extent required by Applicable Law, the Board shall at each annual general meeting place before the Shareholders a certificate from the Secretarial auditors of the Company that the ESOP 2010 has been implemented in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in accordance with the resolution of the Company in the general meeting.

**17. Severability**

In the event any one or more of the provisions contained in this ESOP 2010 shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this ESOP 2010, but this ESOP 2010 shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and the ESOP 2010 shall be carried out as nearly as possible according to its original terms and intent.

**18. Confidentiality**

Eligible Employees shall keep the details of the Options granted to them strictly confidential and shall not share/disclose the said details with/to any other Employee. In case of non-adherence to the provisions of this Clause, the Nomination &

Remuneration Committee will have the authority to deal with such cases in such manner as it may deem fit in its sole and absolute discretion.



## Employee Stock Option Plan 2011

CarTrade Tech Limited

**SALIENT FEATURES OF THE SCHEME**

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## **1. Name, Objective and Term of the Plan**

- 1.1 This Plan shall be called the “CarTrade Tech Limited ESOP 2011”.
- 1.2 The objective of the ESOP 2011 is to motivate the Employees 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.
- 1.3 The ESOP 2011 is established with effect from 16th January, 2012, 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 ESOP 2011 have been issued and exercised. The ESOP 2011 will be further amended in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and will then be effective on approval by the members of Nomination and Remuneration Committee and Board of Directors at their meeting held on August 27, 2022 and shall continue to be in force until the date on which all of the Employee Stock Options available for issuance under the ESOP 2011 have been issued and Exercised.
- 1.4 The Board of Directors may subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the ESOP 2011.

## **2. Definitions and Interpretation**

### **2.1 Definitions**

- i. **“Applicable Law”** means every law relating to Employee Stock Options, including, without limitation to, the Companies Act, 2013 as amended, Securities Exchange Board of India Act, 1992 as amended, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including any circulars, guidelines and rules issued thereunder 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. **“Associate Company”** means a company (present or future) which shall have the same meaning as defined under section 2(6) of the Companies Act, 2013 (18 of 2013).

- iii. **“Board”** means the Board of Directors of the Company.
- iv. **“Companies Act”** means The Companies Act, 2013 and includes any statutory modifications or reenactments thereof.
- v. **“Company”** means “CarTrade Tech Limited” (formerly known as MXC Solutions India Private Limited incorporated under the Companies Act, 1956, and having its registered office at 12th Floor Vishwaroop IT Park, Sector 30A, Vashi, Navi Mumbai 400705.”
- vi. **“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 (HR Policy).
- vii. **“Nomination and Remuneration Committee”** means a committee of such members of the Board, whose function includes to administer and supervise the ESOP 2011 and other employee benefit plan/schemes, comprising of such members of the Board as provided under section 178 of the Companies Act, 2013.
- viii. **“Control”** shall have the same meaning as defined under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- ix. **“Director”** means a member of the Board of the Company.
- x. **“Deed of Adherence”** means a document executed between the employee exercising options and the Company containing the policies, rules and regulations governing ownership of the shares.
- xi. **“Eligibility Criteria”** means the criteria as may be determined from time to time by the Board and/ or Nomination and Remuneration Committee for Granting the Employee Stock Options to the Employees.
- xii. **Employee”** means
  - (i) an employee as designated by the company, who is exclusively working in India or outside India; or
  - (ii) a director of the company, whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group,



but excluding an independent director; or

(iii) an employee as defined in sub-clauses (i) or (ii), of a group company including subsidiary or its associate company, in India or outside India, or of a holding company of the company, but does not include—

(a) an employee who is a promoter or a person belonging to the promoter group; or

b) a director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company;

- xiii. **“Employee Stock Option” or “Option”** means the Option Granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the shares underlying the Option at a pre-determined price.
- xiv. **“Exercise”** of an Option means expression of an intention by an Employee to the Company to purchase the Shares underlying the Options Vested in him, in pursuance of the ESOP 2011, in accordance with the procedure laid down by the Company for Exercise of Options.
- xv. **“Exercise Period”** means such time period after Vesting within which the Employee should Exercise the Options Vested in him in pursuance of the ESOP 2011.
- xvi. **“Exercise Price”** means the grant price payable by an Employee in order to Exercise the Options Granted to him in pursuance of the ESOP 2011.
- xvii. **“Fair Market Value” or “FMV”** means as of any date till the Company is listed, the value of a Share as determined by an independent valuer and after the Company gets listed, the closing Market Price on the date prior to the date of Grant of the Option.
- xviii. **“Grant”** means issue of Options to the Employees under the ESOP 2011.
- xix. **“Grant Date”** means the date on which the Nomination & Remuneration Committee approves the grant or any other date after the approval as mentioned in the grant letter. For accounting purposes, the grant date will be determined in accordance with applicable accounting standards.
- xxvi. **“Group”** means two or more companies (present or future) which, directly or

indirectly, are in a position to—

- (i) exercise twenty-six per cent. or more of the voting rights in the other company; or
- (ii) appoint more than fifty per cent. of the members of the Board of Directors in the other company; or
- (iii) control the management or affairs of the other company;

- xxix. **“Independent Director”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- xx. **“Key Managerial Personnel”** shall have the same meaning as defined under section 2(51) of the Companies Act, 2013 (18 of 2013);
- xxi. **“Listing”** means listing of the Company’s Share on any recognized Stock Exchange in India which includes initial public offer of Shares as per Applicable Laws.
- xxii. **“Market Price”** means the latest available closing price, prior to the date of meeting of the Board of Directors in which Options are Granted/shares are issued, on the stock exchange on which the shares of the Company are listed.
- xxiii. **“Option Grantee”** means an Employee who has been Granted an Employee Stock Option in pursuance of the ESOP 2011.
- xxiv. **“Parent Company”** means any future holding company of the Company.
- 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 Board based on a certificate of a medical expert identified by the Board.
- xxvi. **“Recognised Stock Exchange”** means the BSE, NSE or any other Stock Exchange in India on which the Company’s Shares are listed or to be listed.
- xxvii. **“Relative”** shall have the same meaning as defined under section 2(77) of the Companies Act, 2013 (18 of 2013).

- xxviii. **“Retirement”** means retirement as per the rules of the Company.
- xxix. **“Scheme / Plan / ESOP 2011”** means this Employee Stock Option Plan 2011 under which the Company is authorised to Grant Employee Stock Options to the Employees.
- xxx. **“SEBI Act”** means the Securities & Exchange Board of India Act, 1992 as amended, and includes all regulations and clarifications issued there under.
- xxxi. **“SEBI Guidelines”** means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended and includes all regulations and clarifications issued there under.
- xxxii. **“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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- xxxiii. **“Securities”** means securities as defined in section 2(h) of the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- xxxiv. **“Shares”** means equity shares of the Company arising out of the Exercise of Employee Stock Options Granted under the ESOP 2011.
- xxxv. **“Subsidiary Company”** means any present or future subsidiary company of the Company, as defined in the Companies Act, 1956.
- xxxvi. **“Vesting”** means earning by the Option Grantee, of the right to Exercise the Employee Stock Options Granted to him in pursuance of the ESOP 2011.
- 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 Employee Stock Option Granted to the Employee, in pursuance of the ESOP 2011 takes place.
- 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.

- xl. “**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.

## **2.2 Interpretation**

In this Plan, 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.

## **3. Authority and Ceiling**

- 3.1 The Board in their meeting on 16<sup>th</sup> January, 2012, have resolved to issue to Employees under ESOP 2011, Employee Stock Options exercisable into not more than 970,478 Equity Shares of the Company, with each such Option conferring a right upon the Employee to apply for one equity share of a face value of Rs.10 each, of the Company, in accordance with the terms and conditions of such issue.
- 3.2 If an Employee Stock Option expires or becomes unexercisable due to any other reason, it shall be transferred to the ESOP 2021 I and become available for future Grants under ESOP 2021 I, subject to compliance with all Applicable Laws.
- 3.3 In case of a share-split where the face value of the shares is reduced below Rs. 10, the maximum number of shares available for being granted under ESOP 2011 shall stand modified accordingly, so as to ensure that the cumulative face value (970,478 X 10) prior to such split remains unchanged after the share split. Thus, for instance, if the face value of each share is reduced to Re.1, the total number of shares available under ESOP 2011 would be 9,704,780 equity shares of Re.1 each.

#### **4. Administration**

- 4.1 The ESOP 2011 shall be administered by the Board and/or the Nomination and Remuneration Committee. All questions of interpretation of the ESOP 2011 or any Employee Stock Option shall be determined by the Board and/or the Nomination and Remuneration Committee and such determination shall be final and binding upon all persons having an interest in the ESOP 2011 or such Employee Stock Option.
- 4.2 The Board shall in accordance with this Plan and Applicable Laws determine the following:
- (a) The quantum of Employee Stock Options to be Granted under the ESOP 2011 per Employee, subject to the ceiling as specified in Para 3.1;
  - (b) The Eligibility Criteria;
  - (c) the kind of benefits to be granted under ESOP 2011;
  - (d) 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;
  - (e) The procedure and terms for the Grant, Vest and Exercise of Employee Stock Option in case of Employees who are on long leave;
  - (f) The procedure for cashless Exercise of Employee Stock Options, if required;
  - (g) Approve forms, writings and/or agreements for use in pursuance of the ESOP 2011.
  - (h) the procedure for buy-back of specified securities issued under these regulations, if to be undertaken at any time by the company, and the applicable terms and conditions, including:
    - (i) permissible sources of financing for buy-back;
    - (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and
    - (iii) limits upon quantum of specified securities that the company may buy-back in a financial year.
  - (i) Any other related or incidental matters
- 4.3 The Company shall obtain permissions from, and making periodic reports to, relevant regulatory authorities, as may be required and ensure compliance with all Applicable Laws in respect of this ESOP 2011.

**5. Eligibility and Applicability**

- 5.1 Only Employees are eligible for being Granted Employee Stock Options under ESOP 2011. The specific Employees to whom the Options would be Granted and their eligibility criteria would be determined by the Board and/or the Nomination and Remuneration Committee.
- 5.2 The Scheme shall be applicable to the Company, its Subsidiary Companies in India and abroad, its Holding Company Associate Company, Group Company (present or future) and any successor Company thereof and may be Granted to the Employees and Directors of the Company, its subsidiaries and its holding Company Associate Company, Group Company (present or future), as determined by the Board on its own discretion.

**6. Vesting Schedule / Conditions**

Options Granted under ESOP 2011 would Vest not less than one year and not more than 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 Board and/or the Nomination and Remuneration 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.

In the event of death or permanent incapacity of an Employee, the minimum vesting period of one year shall not be applicable and in such instances, the options shall vest on the date of the death or permanent incapacity in accordance with Clause 7.3.

**7. Exercise**

- a) The Exercise Price shall be equal to either of the following as decided by the Board:

1. the FMV as certified by an independent valuer at the time of grant, or
2. Up to 50% discount to the FMV at the time of grant

Board may round off the price to the nearest rupee.

Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company, or in such other manner as the Board may decide. Further no amount shall be payable by the option grantee at the time of grant and hence no amount is required to be forfeited even if an employee does not exercise the options within exercise period and accordingly no adjustment is required to be made for the same.

- b) The Employee Stock Options Granted shall be capable of being Exercised as per the provisions outlined in the table below:

		Prior to Listing	Post Listing
Vested Options			
1	While in Employment	Can be Exercised either after 1 <sup>st</sup> January 2016 or after listing on a Recognized Stock Exchange, whichever is earlier. However, the employee must exercise within three years from the date of listing on a Recognised Stock Exchange. Exercise is subject to the compliance of all applicable laws and all employees must have been employed for a minimum of two years in order to exercise vested option.	Can be Exercised within a period of 3 years from the date of Vesting.
2	Resignation / Termination (other than due to misconduct or breach of company policies/terms of employment) /1	If any employee resigns within two years from the date of Employment, all Options which were not exercised at the time of resignation shall stand cancelled with effect from the last working day.. If the resignation is after two years from the date of Employment then all vested options can be exercised either after 1 <sup>st</sup> January 2016 or after listing on a Recognised Stock Exchange,	All the Vested Options as on that date shall be exercisable by the Option Grantee before his last working day with the Company.
		whichever is earlier. However, the employee must exercise within three years from the date of listing on a Recognised Stock Exchange. Exercise is subject to the compliance of all applicable laws.	
3	Termination due to misconduct or due to breach of company policies or the terms of employment	All the Vested Options which were not Exercised at the time of such termination shall stand cancelled with effect from the date of such termination.	All the Vested Options which were not Exercised at the time of such termination shall stand cancelled with effect from the date of such termination.
	Retirement / Early Retirement	All Vested Options can be Exercised by the Option Grantee immediately after the date of listing of the shares of the	All Vested Options can be Exercised by the Option Grantee immediately after, but in no event later than one month

		Prior to Listing	Post Listing
4	approved by the Company / Superannuation /1	Company on a Recognised Stock Exchange, but in no event later than one month from the date of listing.	from the date of such retirement.
5	Death	All Vested Options may be Exercised by the Option Grantee's nominee or legal heirs immediately after the date of listing of the shares of the Company on a Recognised Stock Exchange, but in no event later than three months from the date of listing.	All Vested Options may be Exercised by the Option Grantee's nominee or legal heirs immediately after, but in no event later than three months from the date of Death of the Option Grantee.
6	Termination due to Permanent Disability	All Vested Options may be Exercised by the Option Grantee or, in case of his death, the nominee or legal heirs, immediately after the date of listing of the shares of the Company on a Recognised Stock Exchange, but in no event later than one month from the date of listing.	All Vested Options may be Exercised by the Option Grantee or, in case of his death, the nominee or legal heirs, immediately after, but in no event later than one month from the date of such disability.
7	Abandonment /2	All the Vested Options shall stand cancelled.	All the Vested Options shall stand cancelled.
8	Separation due to reasons other than those mentioned above /1	The Board will decide whether the Vested Options on the date of separation can be Exercised by the Option Grantee or not, and such decision shall be final.	The Board will decide whether the Vested Options on the date of separation can be Exercised by the Option Grantee or not, and such decision shall be final.
Unvested Options			
1	While in Employment	The Options would continue to Vest as per the original Vesting schedule.	The Options would continue to Vest as per the original Vesting schedule.
2	Resignation / Termination (other than due to misconduct or breach of company policies/terms of employment)	All Unvested Options on the date of submission of resignation / termination shall stand cancelled with effect from that date.	All Unvested Options on the date of submission of resignation / termination shall stand cancelled with effect from that date.
3	Termination due to misconduct or due to breach of company policies or the terms of	All Unvested Options on the date of such termination shall stand cancelled with effect from that date.	All Unvested Options on the date of such termination shall stand cancelled with effect from that date.



		Prior to Listing	Post Listing
	<b>employment</b>		
4	<b>Retirement / Early Retirement approved by the Company / Superannuation</b>	All Unvested Options will stand cancelled as on the date of such retirement, unless otherwise determined by the Board, subject to applicable law whose determination will be final and binding.	All unvested Options shall continue to vest in accordance with the respective vesting schedules and may be exercised by the Option grantee within the period as may be decided by the Nomination & Remuneration Committee.
5	<b>Death</b>	All Unvested Options will stand automatically vested and shall be exercised within such time as may be decided by the Board or the Nomination and Remuneration Committee	All unvested Options as on the date of death shall vest immediately and may be exercised by the Option grantee's nominee or legal heir/s within 1 year from the date of Death.
6	<b>Termination due to Permanent Disability</b>	All Unvested Options will stand automatically vested and shall be exercised within such time as may be decided by the Board or the Nomination and Remuneration Committee	All unvested Options as on the date of such permanent disability 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 immediately after, but in no event later than 1 year from the date of such disability.
7	<b>Abandonment /2</b>	All the Unvested Options shall stand cancelled.	All the Unvested Options shall stand cancelled.
8	<b>Separation due to reasons other than those mentioned above /1</b>	All Unvested Options on the date of separation shall stand cancelled with effect from that date	All Unvested Options on the date of separation shall stand cancelled with effect from that date

/1 In case the employee fails to comply with any of the terms and conditions of the Company's HR Policy or his / her Employment Contract with the Company, then all options vested and unvested shall stand cancelled on such date as decided by the Board.

/2 The Board, at its sole discretion shall decide the date of cancellation of Options and such decision shall be binding on all concerned.

- c) If the Company does not have an IPO within six years from the date of the first Grant, the Scheme will be referred back to the Board. The Board will decide on

the best course of action for settling the Vested Options.

- d) All live Options, if any, will lapse at the end of 10 (ten) years from the date of Grant of Options or 5 (five) years from the date of listing of the Company, whichever is later.
- e) Shares arising from Exercise of Options shall not be subject to any lock in period.
- f) **At all times** drag along or any other clause applicable to Promoters as per the Share Subscription Agreement and Share Holder agreement shall be applicable to option holders also. It is clarified that this sub-clause (f) shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.

**g) Drag along:**

At any time if the Company enters

(A) A transaction which results in acquisition by a third Person of the substantial assets or Shares of the Company, or

(B) Any consolidation, merger, reorganization or other similar transaction (whether in one or a series of transactions) resulting in third party ownership of more than 50% (fifty percent) of the voting share capital of the Company or the surviving entity, immediately following such transaction, after giving effect to any conversion, exercise or exchange of any Securities convertible into or exercisable or exchangeable for, such voting Securities;

(C) The Nomination and Remuneration Committee may, subject to the provisions of Applicable Laws, decide the action to be taken with respect to the unvested Options. The decision taken by the Nomination and Remuneration Committee shall be binding on all the Grantees. In respect of vested but unexercised Options, the Grantee will be required to Exercise the same on or prior to the cut-off date declared by the Board/ Nomination and Remuneration Committee to facilitate the transaction.

- h) Notwithstanding anything contained in the scheme, if the employee transfers his shares within one year from the date of exercising the Options, the employee shall give the Company an irrevocable Right of First Refusal (ROFR). The Company shall have the first right but not the obligation to purchase the shares from the

employee at the Fair Market Value. If the Company has had a change of control event or an IPO, this clause will no longer apply. It is clarified that this sub-clause (h) shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.

i) Exercise Procedure:

An Option Grantee wishing to Exercise the Options Vested in him, shall have to sign a Deed of Adherence and submit the Exercise Application (in the specified format which would be sent to him along with the Letter of Vesting) to such official(s) of the Company as may be intimated in the said Letter of Vesting. It is clarified that this sub-clause (i) shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.

The Options Vested in the Option Grantee could be Exercised by them within the Exercise Period in such number of tranche(s) as they may desire, either wholly or in parts.

An Option Grantee will be entitled to Exercise only one tranche of Options in a calendar month.

j) Allotment Procedure:

On receipt of the exercise forms along with the exercise price, the Company will allot Shares to the Options Grantee. Such allotment of Shares shall not be later than 60 days from such receipt.

**8. Shares**

- 8.1 All Shares allotted consequent to the Exercise of Options shall rank parri passu in all respects with then existing Shares of the Company.
- 8.2 Shares arising from Exercise of Options shall not be subject to any lock in period unless required under Applicable Law.
- 8.3 On becoming a shareholder, the Option Grantee will be subject to all the terms and conditions applicable to other equity shareholders of the Company as per the Articles of Association of the Company.
- 8.4 If at the time of Exercise of the Options, the Shares of the Company are listed then, subject to the approval of the stock exchanges, the Shares issued and allotted on Exercise of the Options shall be listed on BSE Limited and the National Stock Exchange of India Limited and such other Recognised Stock Exchanges on which the Shares of the Company are listed

**9. Other Terms and Conditions**

- 9.1 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.
- 9.2 On becoming a shareholder, the Option Grantee will be subject to all the terms and conditions applicable to other shareholders as per the Articles of Association of the Company.
- 9.3 The Employee Stock Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 9.4 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 Clause 4.2(c) of ESOP 2011.
- 9.5 Employee Stock Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case clause 7(b) would apply.
- 9.6 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, in which case clause 7(b) would apply.

**10. Deduction/Recovery of Tax**

The Company shall have the right to deduct from the Employee's salary, any of the Employee's or employer'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 to the Option Grantee until such tax obligations have been satisfied by the Option Grantee.

**11. Authority to vary terms**

The Board may, if it deems necessary, vary the terms of ESOP 2011, subject to the Applicable Laws.

**12. Miscellaneous**

**12.1 Government Regulations**

This ESOP 2011 shall be subject to all Applicable Laws, and approvals from governmental authorities.

**12.2 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.

**12.3 The Grant of an Employee Stock Option does not form part of the Option Grantee's entitlement to compensation or benefits pursuant to his 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 an Employee Stock Option Granted to him in respect of any number of shares or any expectation that an Employee Stock Option might be Granted to him whether subject to any condition or at all.**

**12.4 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.**

**12.5 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).**

**12.6 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.**

**13. Notices**

All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOP 2011 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 ESOP 2011 shall be sent to the address mentioned below:

**CARTRADE TECH LIMITED**  
12th Floor Vishwaroop IT Park, Sector 30A,  
Vashi, Navi Mumbai 400705

#### **14. Governing Law and Jurisdiction**

- 14.1 The terms and conditions of the ESOP 2011 shall be governed by and construed in accordance with the laws of India.
- 14.2 The Courts of Mumbai, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP 2011.
- 14.3 Nothing in this Clause will however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP 2011:
- (i) in any other court of competent jurisdiction; or
  - (ii) concurrently in more than one jurisdiction.

#### **15. Accounting Policy**

The Company shall, to the extent applicable, follow the “Guidance Note on Accounting for Employees 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, in compliance with relevant provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

#### **16. Certificate from Secretarial Auditors**

To the extent required by Applicable Law, the Board shall at each annual general meeting place before the Shareholders a certificate from the Secretarial auditors of the Company that the ESOP 2010 has been implemented in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in accordance with the resolution of the Company in the general meeting.

#### **17. Severability**

In the event any one or more of the provisions contained in this ESOP 2010 shall for any

reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this ESOP 2010, but this ESOP 2010 shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and the ESOP 2010 shall be carried out as nearly as possible according to its original terms and intent.

**18. Confidentiality**

Eligible Employees shall keep the details of the Options granted to them strictly confidential and shall not share/disclose the said details with/to any other Employee. In case of non-adherence to the provisions of this Clause, the Nomination & Remuneration Committee will have the authority to deal with such cases in such manner as it may deem fit in its sole and absolute discretion.

A small, square, purple-tinted image showing a hand holding a magnifying glass over a document, symbolizing investigation or scrutiny.

## Employee Stock Option Plan 2014

CarTrade Tech Limited



**SALIENT FEATURES OF THE SCHEME**

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## **1. Name, Objective and Term of the Plan**

- 1.1 This Plan shall be called the “CarTrade Tech Limited ESOP 2014”.
- 1.2 The objective of the ESOP 2014 is to motivate the Employees 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.
- 1.3 The ESOP 2014 is established with effect from September 30, 2014, 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 ESOP 2014 have been issued and exercised and will be further amended in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and will then be effective on approval by the members of Nomination and Remuneration Committee and Board of Directors at their meeting held on August 27, 2022 respectively.
- 1.4 The Board of Directors may subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the ESOP 2014.

## **2. Definitions and Interpretation**

### **2.1 Definitions**

- i. **“Applicable Law”** means every law relating to Employee Stock Options, including, without limitation to, the Companies Act, 2013 as amended, Securities Exchange Board of India Act, 1992 as amended, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including any circulars, guidelines and rules issued thereunder 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. **“Associate Company”** means a company (present or future) which shall have the same meaning as defined under section 2(6) of the Companies Act, 2013 (18 of 2013).
- iii. **“Board”** means the Board of Directors of the Company.

- iv. **"Companies Act"** means The Companies Act, 2013 and includes any statutory modifications or reenactments thereof.
- v. **"Company"** means "CarTrade Tech Limited" (formerly known as MXC Solutions India Private Limited incorporated under the Companies Act, 1956, and having its registered office at 12th Floor Vishwaroop IT Park, Sector 30A, Vashi, Navi Mumbai 400705.
- vi. **"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 (HR Policy).
- vii. **"Control"** shall have the same meaning as defined under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- viii. **"Nomination and Remuneration Committee"** means a committee of such members of the Board, whose function includes to administer and supervise the ESOP 2014 and other employee benefit plan/schemes, comprising of such members of the Board as provided under section 178 of the Companies Act, 2013
- ix. **"Director"** means a member of the Board of the Company.
- x. **"Deed of Adherence"** means a document executed between the employee exercising options and the Company containing the policies, rules and regulations governing ownership of the shares.
- xi. **"Eligibility Criteria"** means the criteria as may be determined from time to time by the Board for Granting the Employee Stock Options to the Employees.
- xii. **"Employee"** means
  - (i) an employee as designated by the company, who is exclusively working in India or outside India; or
  - (ii) a director of the company, whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or
  - (iii) an employee as defined in sub-clauses (i) or (ii), of a group company including subsidiary or its associate company, in India or outside India, or of a holding

company of the company, but does not include—

- (a) an employee who is a promoter or a person belonging to the promoter group;  
or
- b) a director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company;

- xiii. **“Employee Stock Option” or “Option”** means the Option Granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the shares underlying the Option at a pre- determined price.
- xiv. **“Exercise”** of an Option means expression of an intention by an Employee to the Company to purchase the Shares underlying the Options Vested in him, in pursuance of the ESOP 2014, in accordance with the procedure laid down by the Company for Exercise of Options.
- xv. **“Exercise Period”** means such time period after Vesting within which the Employee should Exercise the Options Vested in him in pursuance of the ESOP 2014.
- xvi. **“Exercise Price”** means the grant price payable by an Employee in order to Exercise the Options Granted to him in pursuance of the ESOP 2014.
- xvii. **“Fair Market Value” or “FMV”** means as of any date till the Company is listed, the value of a Share as determined by an independent valuer and after the Company gets listed, the closing Market Price on the date prior to the date of Grant of the Option.
- xviii. **“Grant”** means issue of Options to the Employees under the ESOP 2014.
- xix. **“Grant Date”** means the date on which the compensation Nomination & Remuneration Committee approves the grant or any other date after the approval as mentioned in the grant letter. For accounting purposes, the grant date will be determined in accordance with applicable accounting standards.
- xx. **“Group”** means two or more companies (present or future) which, directly or indirectly, are in a position to—
  - (i) exercise twenty-six per cent. or more of the voting rights in the other

company; or

(ii) appoint more than fifty per cent. of the members of the Board of Directors in the other company; or

(iii) control the management or affairs of the other company;

- xxi. **“Independent Director”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- xxii. **“Key Managerial Personnel”** shall have the same meaning as defined under section 2(51) of the Companies Act, 2013 (18 of 2013);
- xxiii. **“Listing”** means listing of the Company’s Share on any recognized Stock Exchange in India which includes initial public offer of Shares as per Applicable Laws.
- xxiv. **“Market Price”** means the latest available closing price, prior to the date of meeting of the Board of Directors in which Options are Granted/shares are issued, on the stock exchange on which the shares of the Company are listed.
- xxv. **“Option Grantee”** means an Employee who has been Granted an Employee Stock Option in pursuance of the ESOP 2014.
- xxvi. **“Parent Company”** means any future holding company of the Company.
- xxvii. **“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 Board based on a certificate of a medical expert identified by the Board.
- xxviii. **“Recognised Stock Exchange”** means the BSE, NSE or any other Stock Exchange in India on which the Company’s Shares are listed or to be listed.
- xxix. **“Relative”** shall have the same meaning as defined under section 2(77) of the Companies Act, 2013 (18 of 2013).
- xxx. **“Retirement”** means retirement as per the rules of the Company.
- xxxi. **“Scheme / Plan / ESOP 2014”** means this Employee Stock Option Plan 2011 under which the

Company is authorised to Grant Employee Stock Options to the Employees.

- xxxii. **“SEBI Act”** means the Securities & Exchange Board of India Act, 1992 as amended, and includes all regulations and clarifications issued there under.
- xxxiii. **“SEBI Guidelines”** means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and includes all regulations and clarifications issued there under.
- xxxiv. **“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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- xxxv. **“Securities”** means securities as defined in section 2(h) of the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- xxxvi. **“Shares”** means equity shares of the Company arising out of the Exercise of Employee Stock Options Granted under the ESOP 2014.
- xxxvii. **“Subsidiary Company”** means any present or future subsidiary company of the Company, as defined in the Companies Act, 1956.
- xxxviii. **“Vesting”** means earning by the Option Grantee, of the right to Exercise the Employee Stock Options Granted to him in pursuance of the ESOP 2014.
- xxxix. **“Vesting Condition”** means any condition subject to which the Options Granted would Vest in an Option Grantee.
- xl. **“Vesting Period”** means the period during which the Vesting of the Employee Stock Option Granted to the Employee, in pursuance of the ESOP 2014 takes place.
- xli. **“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.
- xlii. **“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.

## 2.2 Interpretation

In this Plan, 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.

## 3. Authority and Ceiling

- 3.1 The Shareholders of MXC in their meeting on 30<sup>th</sup> September, 2014, have resolved to issue to Employees under ESOP 2014, Employee Stock Options exercisable into Equity Shares of the Company, with each such Option conferring a right upon the Employee to apply for one equity share of a face value of Rs.10 each, of the Company, in accordance with the terms and conditions of such issue.
- 3.2 If an Employee Stock Option expires or becomes unexercisable due to any other reason, such options shall be transferred to ESOP 2021 I and become available for future Grants under ESOP 2021 I, subject to compliance with all Applicable Laws.
- 3.3 In case of a share-split where the face value of the shares is reduced below Rs. 10, the maximum number of shares available for being granted under ESOP 2014 shall stand modified accordingly, so as to ensure that the cumulative face value prior to such split remains unchanged after the share split.

## 4. Administration

- 4.1 The ESOP 2014 shall be administered by the Board and/or the **Nomination and Remuneration** Committee. All questions of interpretation of the ESOP 2014 or any Employee Stock Option shall be determined by the Board and/or the **Nomination and Remuneration** Committee and such determination shall be final and binding upon all persons having an interest in the ESOP 2014 or such Employee Stock Option.

4.2 The Board shall in accordance with this Plan and Applicable Laws determine the following:

- (a) The quantum of Employee Stock Options to be Granted under the ESOP 2014 per Employee, subject to the ceiling as specified in Para 3.1;
- (b) The Eligibility Criteria;
- (c) the kind of benefits to be granted under ESOP 2014;
- (d) 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;
- (e) The procedure and terms for the Grant, Vest and Exercise of Employee Stock Option in case of Employees who are on long leave;
- (f) The procedure for cashless Exercise of Employee Stock Options, if required;
- (g) Approve forms, writings and/or agreements for use in pursuance of the ESOP 2014.
- (h) the procedure for buy-back of specified securities issued under these regulations, if to be undertaken at any time by the company, and the applicable terms and conditions, including:
  - (i) permissible sources of financing for buy-back;
  - (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and
  - (iii) limits upon quantum of specified securities that the company may buy-back in a financial year.
- (i) Any other related or incidental matters

4.3 The Company shall obtain permissions from, and making periodic reports to, relevant regulatory authorities, as may be required and ensure compliance with all Applicable Laws in respect of this ESOP 2014.

## **5. Eligibility and Applicability**

- 5.1 Only Employees are eligible for being Granted Employee Stock Options under ESOP 2014. The specific Employees to whom the Options would be Granted and their eligibility criteria would be determined by the Board and/or the **Nomination and Remuneration Committee**..
- 5.2 The Scheme shall be applicable to the Company, its Subsidiary Companies in India and abroad, its Holding Company, Associate Company, Group Company (present or future) and any successor Company thereof and may be Granted to the Employees and Directors of the



Company, its subsidiaries and its holding Company, Associate Company, Group Company (present or future), as determined by the Board on its own discretion.

#### **6. Vesting Schedule / Conditions**

Options Granted under ESOP 2014 would Vest not less than one year and not more than 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 Board and/or the **Nomination and Remuneration** 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.

In the event of death or permanent incapacity of an Employee, the minimum vesting period of one year shall not be applicable and in such instances, the options shall vest on the date of the death or permanent incapacity in accordance with Clause 7.3.

#### **7. Exercise**

- a) The Exercise Price shall be equal to either of the following as decided by the Board:

1. the FMV as certified by an independent valuer at the time of grant, or
2. Up to 50% discount to the FMV at the time of grant

The Board may round off the price to the nearest rupee.

Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company, or in such other manner as the Board may decide. Further no amount shall be payable by the option grantee at the time of grant and hence no amount is required to be forfeited even if an employee does not exercise the options within exercise period and accordingly no adjustment is required to be made for the same.

- b) The Employee Stock Options Granted shall be capable of being Exercised as per the provisions as outlined in the tables below:

		Prior to Listing	Post Listing
Vested Options			
1	While in Employment	Can be Exercised either after 1 <sup>st</sup> January 2019 or after listing on a Recognized Stock Exchange, whichever is earlier. However, the employee must exercise within three years from the date of listing on a Recognised Stock Exchange. Exercise is subject to the compliance of all applicable laws and all employees must have been employed for a minimum of two years in order to exercise vested option.	Can be Exercised within a period of 3 years from the date of Vesting.
2	Resignation / Termination (other than due to misconduct or breach of company policies/terms of employment) /1	<p>If any employee resigns within two years from the date of Employment, all Options which were not exercised at the time of resignation shall stand cancelled with effect from the last working day..</p> <p>If the resignation is after two years from the date of Employment then all vested options can be exercised either after 1<sup>st</sup> January 2016 or after listing on a Recognised Stock Exchange, whichever is earlier. However, the employee must exercise within three years from the date of listing on a Recognised Stock Exchange. Exercise is subject to the compliance of all applicable laws.</p>	All the Vested Options as on that date shall be exercisable by the Option Grantee before his last working day with the Company.
3	Termination due to misconduct or due to breach of company policies or the terms of employment	All the Vested Options which were not Exercised at the time of such termination shall stand cancelled with effect from the date of such termination.	All the Vested Options which were not Exercised at the time of such termination shall stand cancelled with effect from the date of such termination.
4	Retirement / Early Retirement approved by the Company / Superannuation /1	All Vested Options can be Exercised by the Option Grantee immediately after the date of listing of the shares of the Company on a Recognised Stock Exchange, but in no event later than one month from the date of listing.	All Vested Options can be Exercised by the Option Grantee immediately after, but in no event later than one month from the date of such retirement.
5	Death	All Vested Options may be Exercised by the Option Grantee's nominee or legal heirs immediately after the date of listing of the shares of the Company on a Recognised Stock Exchange, but in no event later than three months from the date of listing.	All Vested Options may be Exercised by the Option Grantee's nominee or legal heirs immediately after, but in no event later than three months from the date of Death of the Option Grantee.

		Prior to Listing	Post Listing
6	Termination due to Permanent Disability	All Vested Options may be Exercised by the Option Grantee or, in case of his death, the nominee or legal heirs, immediately after the date of listing of the shares of the Company on a Recognised Stock Exchange, but in no event later than one month from the date of listing.	All Vested Options may be Exercised by the Option Grantee or, in case of his death, the nominee or legal heirs, immediately after, but in no event later than one month from the date of such disability.
7	Abandonment /2	All the Vested Options shall stand cancelled.	All the Vested Options shall stand cancelled.
8	Separation due to reasons other than those mentioned above /1	The Board will decide whether the Vested Options on the date of separation can be Exercised by the Option Grantee or not, and such decision shall be final.	The Board will decide whether the Vested Options on the date of separation can be Exercised by the Option Grantee or not, and such decision shall be final.
Unvested Options			
1	While in Employment	The Options would continue to Vest as per the original Vesting schedule.	The Options would continue to Vest as per the original Vesting schedule.
2	Resignation / Termination (other than due to misconduct or breach of company policies/terms of employment)	All Unvested Options on the date of submission of resignation / termination shall stand cancelled with effect from that date.	All Unvested Options on the date of submission of resignation / termination shall stand cancelled with effect from that date.
3	Termination due to misconduct or due to breach of company policies or the terms of employment	All Unvested Options on the date of such termination shall stand cancelled with effect from that date.	All Unvested Options on the date of such termination shall stand cancelled with effect from that date.
4	Retirement / Early Retirement approved by the Company / Superannuation	All Unvested Options will stand cancelled as on the date of such retirement, unless otherwise determined by the Board, subject to applicable law whose determination will be final and binding.	All unvested Options shall continue to vest in accordance with the respective vesting schedules and may be exercised by the Option grantee within the period as may be decided by the Nomination & Remuneration Committee
5	Death	All Unvested Options will stand automatically vested and shall be exercised within such time as may be decided by the Board or the	All unvested Options as on the date of death shall vest immediately and may be exercised by the Option grantee's

		Prior to Listing	Post Listing
		Nomination and Remuneration Committee	nominee or legal heir/s within 1 year from the date of Death
6	<b>Termination due to Permanent Disability</b>	All Unvested Options will stand automatically vested and shall be exercised within such time as may be decided by the Board or the Nomination and Remuneration Committee	All unvested Options as on the date of such permanent disability 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 immediately after, but in no event later than 1 year from the date of such disability.
7	<b>Abandonment /2</b>	All the Unvested Options shall stand cancelled.	All the Unvested Options shall stand cancelled.
8	<b>Separation due to reasons other than those mentioned above /1</b>	All Unvested Options on the date of separation shall stand cancelled with effect from that date	All Unvested Options on the date of separation shall stand cancelled with effect from that date

/1 In case the employee fails to comply with any of the terms and conditions of the Company's HR Policy or his / her Employment Contract with the Company, then all options vested and unvested shall stand cancelled on such date as decided by the Board.

/2 The Board, at its sole discretion shall decide the date of cancellation of Options and such decision shall be binding on all concerned.

- c) If the Company does not have an IPO within six years from the date of the first Grant, the Scheme will be referred back to the Board. The Board will decide on the best course of action for settling the Vested Options.
- d) All live Options, if any, will lapse at the end of 10 (ten) years from the date of Grant of Options or 5 (five) years from the date of listing of the Company, whichever is later.
- e) Shares arising from Exercise of Options shall not be subject to any lock in period.
- f) **At all times** drag along or any other clause applicable to Promoters as per the Share Subscription Agreement and Share Holder agreement shall be applicable to option holders also. It is clarified that this sub-clause (f) shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.

**g) Drag along:**

At any time if the Company enters

(A) A transaction which results in acquisition by a third Person of the substantial assets or Shares of the Company, or

(B) Any consolidation, merger, reorganization or other similar transaction (whether in one or a series of transactions) resulting in third party ownership of more than 50% (fifty percent) of the voting share capital of the Company or the surviving entity, immediately following such transaction, after giving effect to any conversion, exercise or exchange of any Securities convertible into or exercisable or exchangeable for, such voting Securities;

(C) The Nomination and Remuneration Committee may, subject to the provisions of Applicable Laws, decide the action to be taken with respect to the unvested Options. The decision taken by the Nomination and Remuneration Committee shall be binding on all the Grantees. In respect of vested but unexercised Options, the Grantee will be required to Exercise the same on or prior to the cut-off date declared by the Board/ Nomination and Remuneration Committee to facilitate the transaction.

(D) A transaction as a result of the trigger of the shareholders default drag right as contemplated in the Second Amended and Restated Shareholders Agreement dated 30 September 2014;

the Option Grantee holding the ESOPs shall if so required by the Company, be required to Exercise his rights in respect of all of the ESOPs, to the extent that the same have vested with the Option Grantee, and offer the resultant Shares in full to facilitate the transaction. The Board shall decide on the treatment of Unvested Options. It is clarified that this sub-clause (C) shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.

**h) Notwithstanding anything contained in the scheme, if the employee transfers his shares within one year from the date of exercising the Options, the employee shall give the Company an irrevocable Right of First Refusal (ROFR). The Company shall**

have the first right but not the obligation to purchase the shares from the employee at the Fair Market Value. If the Company has had a change of control event or an IPO, this clause will no longer apply. It is clarified that this sub-clause (h) shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.

i) Exercise Procedure:

An Option Grantee wishing to Exercise the Options Vested in him, shall have to sign a Deed of Adherence and submit the Exercise Application (in the specified format which would be sent to him along with the Letter of Vesting) to such official(s) of the Company as may be intimated in the said Letter of Vesting.

The Options Vested in the Option Grantee could be Exercised by them within the Exercise Period in such number of tranche(s) as they may desire, either wholly or in parts.

An Option Grantee will be entitled to Exercise only one tranche of Options in a calendar month.

j) Allotment Procedure:

On receipt of the exercise forms along with the exercise price, the Company will allot Shares to the Options Grantee. Such allotment of Shares shall not be later than 60 days from such receipt.

**8. Shares**

- 8.1 All Shares allotted consequent to the Exercise of Options shall rank parri passu in all respects with then existing Shares of the Company.
- 8.2 Shares arising from Exercise of Options shall not be subject to any lock in period unless required under Applicable Law.
- 8.3 On becoming a shareholder, the Option Grantee will be subject to all the terms and conditions applicable to other equity shareholders of the Company as per the Articles of Association of the Company.
- 8.4 If at the time of Exercise of the Options, the Shares of the Company are listed then, subject to the approval of the stock exchanges, the Shares issued and allotted on Exercise of the Options shall be listed on BSE Limited and the National Stock Exchange of India Limited and such other Recognised Stock Exchanges on which the Shares of the Company are listed

**9. Other Terms and Conditions**

- 9.1 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.
- 9.2 On becoming a shareholder, the Option Grantee will be subject to all the terms and conditions applicable to other shareholders as per the Articles of Association of the Company.
- 9.3 The Employee Stock Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 9.4 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 Clause 4.2(c) of ESOP 2014.
- 9.5 Employee Stock Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case clause 7(b) would apply.
- 9.6 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, in which case clause 7(b) would apply.

**10. Deduction/Recovery of Tax**

The Company shall have the right to deduct from the Employee's salary, any of the Employee's or employer'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 to the Option Grantee until such tax obligations have been satisfied by the Option Grantee.

**11. Authority to vary terms**

The Board may, if it deems necessary, vary the terms of ESOP 2014, subject to the Applicable Laws.

**12. Miscellaneous****12.1 Government Regulations**

This ESOP 2014 shall be subject to all Applicable Laws, and approvals from governmental authorities.

**12.2 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.

12.3 The Grant of an Employee Stock Option does not form part of the Option Grantee's entitlement to compensation or benefits pursuant to his 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 an Employee Stock Option Granted to him in respect of any number of shares or any expectation that an Employee Stock Option might be Granted to him whether subject to any condition or at all.

12.4 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.

12.5 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).

12.6 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.



**13. Notices**

All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOP 2014 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 ESOP 2014 shall be sent to the address mentioned below:

**CARTRADE TECH LIMITED**  
12<sup>th</sup> Floor Vishwaroop IT Park, Sector 30A,  
Vashi, Navi Mumbai 400705

**14. Governing Law and Jurisdiction**

- 14.1 The terms and conditions of the ESOP 2014 shall be governed by and construed in accordance with the laws of India.
- 14.2 The Courts of Mumbai, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP 2014.
- 14.3 Nothing in this Clause will however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP 2014:

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

**15. Accounting Policy**

The Company shall, to the extent applicable, follow the “Guidance Note on Accounting for Employees 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, in compliance with relevant provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

**16. Certificate from Secretarial Auditors**

To the extent required by Applicable Law, the Board shall at each annual general meeting place before the Shareholders a certificate from the Secretarial auditors of the Company that the ESOP 2010 has been implemented in accordance with SEBI (Share Based Employee

Benefits and Sweat Equity) Regulations, 2021 and in accordance with the resolution of the Company in the general meeting.

**17. Severability**

In the event any one or more of the provisions contained in this ESOP 2010 shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this ESOP 2010, but this ESOP 2010 shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and the ESOP 2010 shall be carried out as nearly as possible according to its original terms and intent.

**18. Confidentiality**

Eligible Employees shall keep the details of the Options granted to them strictly confidential and shall not share/disclose the said details with/to any other Employee. In case of non-adherence to the provisions of this Clause, the Nomination & Remuneration Committee will have the authority to deal with such cases in such manner as it may deem fit in its sole and absolute discretion.



## Employee Stock Option Plan 2015

CarTrade Tech Limited

**SALIENT FEATURES OF THE SCHEME**

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## 1. Name, Objective and Term of the Plan

- 1.1 This Plan shall be called the “CarTrade Tech Limited ESOP 2015”.
- 1.2 The objective of the ESOP 2015 is to motivate the Employees 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.
- 1.3 The ESOP 2015 is established with effect from 14<sup>th</sup> January, 2015, 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 ESOP 2015 have been issued and exercised and will be further amended in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and will then be effective on approval by the members of Nomination and Remuneration Committee and Board of Directors at their meeting held on August 27, 2022.
- 1.4 The Board of Directors may subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the ESOP 2015.

## 2. Definitions and Interpretation

### 2.1 Definitions

- i. “**Applicable Law**” means every law relating to Employee Stock Options, including, without limitation to, the Companies Act, 2013 as amended, Securities Exchange Board of India Act, 1992 as amended, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including any circulars, guidelines and rules issued thereunder 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. “**Associate Company**” means a company (present or future) which shall have the same meaning as defined under section 2(6) of the Companies Act, 2013 (18 of 2013).
- iii. “**Board**” means the Board of Directors of the Company.

- iv. **"Companies Act"** means The Companies Act, 2013 and includes any statutory modifications or reenactments thereof.
- v. **"Company"** means CarTrade Tech Limited" (formerly known as MXC Solutions India Private Limited incorporated under the Companies Act, 1956, and having its registered office at 12th Floor Vishwaroop IT Park, Sector 30A, Vashi, Navi Mumbai 400705.
- vi. **"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 (HR Policy).
- vii. **"Control"** shall have the same meaning as defined under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- viii. **"Nomination and Remuneration Committee"** means a committee of such members of the Board, whose function includes to administer and supervise the ESOP 2015 and other employee benefit plan/schemes, comprising of such members of the Board as provided under section 178 of the Companies Act, 2013
- ix. **"Director"** means a member of the Board of the Company.
- x. **"Deed of Adherence"** means a document executed between the employee exercising options and the Company containing the policies, rules and regulations governing ownership of the shares.
- xi. **"Eligibility Criteria"** means the criteria as may be determined from time to time by the Board for Granting the Employee Stock Options to the Employees.
- xii. **"Employee"** means
  - (i) an employee as designated by the company, who is exclusively working in India or outside India; or
  - (ii) a director of the company, whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or
  - (iii) an employee as defined in sub-clauses (i) or (ii), of a group company including subsidiary or its associate company, in India or outside India, or of a holding company of the company, but does not include—

(a) an employee who is a promoter or a person belonging to the promoter group;  
or  
b) a director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company.

- xiii. **“Employee Stock Option” or “Option”** means the Option Granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the shares underlying the Option at a pre- determined price.
- xiv. **“Exercise”** of an Option means expression of an intention by an Employee to the Company to purchase the Shares underlying the Options Vested in him, in pursuance of the ESOP 2015, in accordance with the procedure laid down by the Company for Exercise of Options.
- xv. **“Exercise Period”** means such time period after Vesting within which the Employee should Exercise the Options Vested in him in pursuance of the ESOP 2015.
- xvi. **“Exercise Price”** means the grant price payable by an Employee in order to Exercise the Options Granted to him in pursuance of the ESOP 2015.
- xvii. **“Fair Market Value” or “FMV”** means as of any date till the Company is listed, the value of a Share as determined by an independent valuer and after the Company gets listed, the closing Market Price on the date prior to the date of Grant of the Option.
- xviii. **“Grant”** means issue of Options to the Employees under the ESOP 2015.
- xix. **“Grant Date”** means the date on which the compensation Nomination & Remuneration Committee approves the grant or any other date after the approval as mentioned in the grant letter. For accounting purposes, the grant date will be determined in accordance with applicable accounting standards.
- xx. **“Group”** means two or more companies (present or future) which, directly or indirectly, are in a position to—
  - (i) exercise twenty-six per cent. or more of the voting rights in the other

company; or

(ii) appoint more than fifty per cent. of the members of the Board of Directors in the other company; or

(iii) control the management or affairs of the other company;

- xxi. **“Independent Director”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- xxii. **“Key Managerial Personnel”** shall have the same meaning as defined under section 2(51) of the Companies Act, 2013 (18 of 2013);
- xxiii. **“Listing”** means listing of the Company’s Share on any recognized Stock Exchange in India which includes initial public offer of Shares as per Applicable Laws.
- xxiv. **“Market Price”** means the latest available closing price, prior to the date of meeting of the Board of Directors in which Options are Granted/shares are issued, on the stock exchange on which the shares of the Company are listed.
- xxv. **“Option Grantee”** means an Employee who has been Granted an Employee Stock Option in pursuance of the ESOP 2015.
- xxvi. **“Parent Company”** means any future holding company of the Company.
- xxvii. **“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 Board based on a certificate of a medical expert identified by the Board.
- xxviii. **“Recognised Stock Exchange”** means the BSE, NSE or any other Stock Exchange in India on which the Company’s Shares are listed or to be listed.
- xxix. **“Relative”** shall have the same meaning as defined under section 2(77) of the Companies Act, 2013 (18 of 2013).
- xxx. **“Retirement”** means retirement as per the rules of the Company.



- xxxi. **“Scheme / Plan / ESOP 2015”** means this Employee Stock Option Plan 2015 under which the Company is authorised to Grant Employee Stock Options to the Employees.
- xxxii. **“SEBI Act”** means the Securities & Exchange Board of India Act, 1992 as amended, and includes all regulations and clarifications issued there under.
- xxxiii. **“SEBI Guidelines”** means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2015, as amended and includes all regulations and clarifications issued there under.
- xxxiv. **“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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- xxxv. **“Securities”** means securities as defined in section 2(h) of the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- xxxvi. **“Shares”** means equity shares of the Company arising out of the Exercise of Employee Stock Options Granted under the ESOP 2015.
- xxxvii. **“Subsidiary Company”** means any present or future subsidiary company of the Company, as defined in the Companies Act, 1956.
- xxxviii. **“Vesting”** means earning by the Option Grantee, of the right to Exercise the Employee Stock Options Granted to him in pursuance of the ESOP 2015.
- xxxix. **“Vesting Condition”** means any condition subject to which the Options Granted would Vest in an Option Grantee.
- xl. **“Vesting Period”** means the period during which the Vesting of the Employee Stock Option Granted to the Employee, in pursuance of the ESOP 2015 takes place.
- xli. **“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.

- xlii. **“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.

## **2.2 Interpretation**

In this Plan, 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.

## **3. Authority and Ceiling**

- 3.1 The Shareholders of MXC in their meeting on 14 January, 2016, have resolved to issue to Employees under ESOP 2015, Employee Stock Options exercisable into Equity Shares of the Company, with each such Option conferring a right upon the Employee to apply for one equity share of a face value of Rs.10 each, of the Company, in accordance with the terms and conditions of such issue.
- 3.2 If an Employee Stock Option expires or becomes unexercisable due to any other reason, such options shall be transferred to ESOP 2021 I and become available for future Grants under ESOP 2021 I,, subject to compliance with all Applicable Laws.
- 3.3 In case of a share-split where the face value of the shares is reduced below Rs. 10, the maximum number of shares available for being granted under ESOP 2015 shall stand modified accordingly, so as to ensure that the cumulative face value prior to such split remains unchanged after the share split.

## **4. Administration**

- 4.1 The ESOP 2015 shall be administered by the Board and/or the **Nomination and Remuneration**

Committee. All questions of interpretation of the ESOP 2015 or any Employee Stock Option shall be determined by the Board and/or the **Nomination and Remuneration** Committee and such determination shall be final and binding upon all persons having an interest in the ESOP 2015 or such Employee Stock Option.

4.2 The Board shall in accordance with this Plan and Applicable Laws determine the following:

- (a) The quantum of Employee Stock Options to be Granted under the ESOP 2015 per Employee, subject to the ceiling as specified in Para 3.1;
- (b) The Eligibility Criteria;
- (c) the kind of benefits to be granted under ESOP 2015;
- (d) 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;
- (e) The procedure and terms for the Grant, Vest and Exercise of Employee Stock Option in case of Employees who are on long leave;
- (f) The procedure for cashless Exercise of Employee Stock Options, if required;
- (g) Approve forms, writings and/or agreements for use in pursuance of the ESOP 2015.
- (h) the procedure for buy-back of specified securities issued under these regulations, if to be undertaken at any time by the company, and the applicable terms and conditions, including:
  - (i) permissible sources of financing for buy-back;
  - (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and
  - (iii) limits upon quantum of specified securities that the company may buy-back in a financial year.
- (i) Any other related or incidental matters

4.3 The Company shall obtain permissions from, and making periodic reports to, relevant regulatory authorities, as may be required and ensure compliance with all Applicable Laws in respect of this ESOP 2015.

## 5. Eligibility and Applicability

- 5.1 Only Employees are eligible for being Granted Employee Stock Options under ESOP 2015. The specific Employees to whom the Options would be Granted and their eligibility criteria would be determined by the Board and/or the **Nomination and Remuneration** Committee.
- 5.2 The Scheme shall be applicable to the Company, its Subsidiary Companies in India and abroad, its Holding Company, Associate Company, Group Company (present or future) and any successor Company thereof and may be Granted to the Employees and Directors of the Company, its subsidiaries and its holding Company, Associate Company, Group Company (present or future), as determined by the Board on its own discretion.

## 6. Vesting Schedule / Conditions

Options Granted under ESOP 2015 would Vest not less than one year and not more than 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 Board and/or the **Nomination and Remuneration** 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.

In the event of death or permanent incapacity of an Employee, the minimum vesting period of one year shall not be applicable and in such instances, the options shall vest on the date of the death or permanent incapacity in accordance with Clause 7.3.

## 7. Exercise

- a) The Exercise Price shall be equal to either of the following as decided by the Board:

1. the FMV as certified by an independent valuer at the time of grant, or
2. Up to 50% discount to the FMV at the time of grant

Board may round off the price to the nearest rupee.

Payment of the Exercise Price shall be made by a crossed cheque or a demand

draft drawn in favour of the Company, or in such other manner as the Board may decide.

Further no amount shall be payable by the option grantee at the time of grant and hence no amount is required to be forfeited even if an employee does not exercise the options within exercise period and accordingly no adjustment is required to be made for the same.

- b) The Employee Stock Options Granted shall be capable of being Exercised as per the provisions as outlined in the tables below:

		Prior to Listing	Post Listing
Vested Options			
1	While in Employment	Can be Exercised either after 1 <sup>st</sup> January 2020 or after listing on a Recognized Stock Exchange, whichever is earlier. However, the employee must exercise within three years from the date of listing on a Recognised Stock Exchange. Exercise is subject to the compliance of all applicable laws and all employees must have been employed for a minimum of two years in order to exercise vested option.	Can be Exercised within a period of 3 years from the date of Vesting.
2	Resignation / Termination (other than due to misconduct or breach of company policies/terms of employment) /1	If any employee resigns within two years from the date of Employment, all Options which were not exercised at the time of resignation shall stand cancelled with effect from the last working day.. If the resignation is after two years from the date of Employment then all vested options can be exercised either after 1 <sup>st</sup> January 2020 or after listing on a Recognised Stock Exchange, whichever is earlier. However, the employee must exercise within three years from the date of listing on a Recognised Stock Exchange. Exercise is subject to the compliance of all applicable laws.	All the Vested Options as on that date shall be exercisable by the Option Grantee before his last working day with the Company.
3	Termination due to misconduct or due to breach of company policies or the terms of employment	All the Vested Options which were not Exercised at the time of such termination shall stand cancelled with effect from the date of such termination.	All the Vested Options which were not Exercised at the time of such termination shall stand cancelled with effect from the date of such termination.

		Prior to Listing	Post Listing
4	<b>Retirement / Early Retirement approved by the Company / Superannuation /1</b>	All Vested Options can be Exercised by the Option Grantee immediately after the date of listing of the shares of the Company on a Recognised Stock Exchange, but in no event later than one month from the date of listing.	All Vested Options can be Exercised by the Option Grantee immediately after, but in no event later than one month from the date of such retirement.
5	<b>Death</b>	All Vested Options may be Exercised by the Option Grantee's nominee or legal heirs immediately after the date of listing of the shares of the Company on a Recognised Stock Exchange, but in no event later than three months from the date of listing.	All Vested Options may be Exercised by the Option Grantee's nominee or legal heirs immediately after, but in no event later than three months from the date of Death of the Option Grantee.
6	<b>Termination due to Permanent Disability</b>	All Vested Options may be Exercised by the Option Grantee or, in case of his death, the nominee or legal heirs, immediately after the date of listing of the shares of the Company on a Recognised Stock Exchange, but in no event later than one month from the date of listing.	All Vested Options may be Exercised by the Option Grantee or, in case of his death, the nominee or legal heirs, immediately after, but in no event later than one month from the date of such disability.
7	<b>Abandonment /2</b>	All the Vested Options shall stand cancelled.	All the Vested Options shall stand cancelled.
8	<b>Separation due to reasons other than those mentioned above /1</b>	The Board will decide whether the Vested Options on the date of separation can be Exercised by the Option Grantee or not, and such decision shall be final.	The Board will decide whether the Vested Options on the date of separation can be Exercised by the Option Grantee or not, and such decision shall be final.
<b>Unvested Options</b>			
1	<b>While in Employment</b>	The Options would continue to Vest as per the original Vesting schedule.	The Options would continue to Vest as per the original Vesting schedule.
2	<b>Resignation / Termination (other than due to misconduct or breach of company policies/terms of employment)</b>	All Unvested Options on the date of submission of resignation / termination shall stand cancelled with effect from that date.	All Unvested Options on the date of submission of resignation / termination shall stand cancelled with effect from that date.
3	<b>Termination due to misconduct or due to breach of</b>	All Unvested Options on the date of such termination shall stand	All Unvested Options on the date of such termination shall stand cancelled with

		Prior to Listing	Post Listing
	company policies or the terms of employment	cancelled with effect from that date.	effect from that date.
4	Retirement / Early Retirement approved by the Company / Superannuation	All Unvested Options will stand cancelled as on the date of such retirement, unless otherwise determined by the Board, subject to applicable law whose determination will be final and binding.	All unvested Options shall continue to vest in accordance with the respective vesting schedules and may be exercised by the Option grantee within the period as may be decided by the Nomination & Remuneration Committee
5	Death	All Unvested Options will stand automatically vested and shall be exercised within such time frame as may be decided by the Board or the Nomination and Remuneration Committee	All unvested Options as on the date of death shall vest immediately and may be exercised by the Option grantee's nominee or legal heir/s within 1 year from the date of Death
6	Termination due to Permanent Disability	All Unvested Options will stand automatically vested and shall be exercised within such time frame as may be decided by the Board or the Nomination and Remuneration Committee	All unvested Options as on the date of such permanent disability 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 immediately after, but in no event later than 1 year from the date of such disability.
7	Abandonment /2	All the Unvested Options shall stand cancelled.	All the Unvested Options shall stand cancelled.
8	Separation due to reasons other than those mentioned above /1	All Unvested Options on the date of separation shall stand cancelled with effect from that date	All Unvested Options on the date of separation shall stand cancelled with effect from that date

/1 In case the employee fails to comply with any of the terms and conditions of the Company's HR Policy or his / her Employment Contract with the Company, then all options vested and unvested shall stand cancelled on such date as decided by the Board.

/2 The Board, at its sole discretion shall decide the date of cancellation of Options and such decision shall be binding on all concerned.

- c) If the Company does not have an IPO within six years from the date of the first Grant, the Scheme will be referred back to the Board. The Board will decide on the best course of action for settling the Vested Options.

- d) All live Options, if any, will lapse at the end of 10 (ten) years from the date of Grant of Options or 5 (five) years from the date of listing of the Company, whichever is later.
- e) Shares arising from Exercise of Options shall not be subject to any lock in period.
- f) **At all times** drag along or any other clause applicable to Promoters as per the Share Subscription Agreement and Share Holder agreement shall be applicable to option holders also. It is clarified that this sub-clause (f) shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.

**g) Drag along:**

At any time if the Company enters

(A) A transaction which results in acquisition by a third Person of the substantial assets or Shares of the Company, or

(B) Any consolidation, merger, reorganization or other similar transaction (whether in one or a series of transactions) resulting in third party ownership of more than 50% (fifty percent) of the voting share capital of the Company or the surviving entity, immediately following such transaction, after giving effect to any conversion, exercise or exchange of any Securities convertible into or exercisable or exchangeable for, such voting Securities;

(C) The Nomination and Remuneration Committee may, subject to the provisions of Applicable Laws, decide the action to be taken with respect to the unvested Options. The decision taken by the Nomination and Remuneration Committee shall be binding on all the Grantees. In respect of vested but unexercised Options, the Grantee will be required to Exercise the same on or prior to the cut-off date declared by the Board/ Nomination and Remuneration Committee to facilitate the transaction.

(D) A transaction as a result of the trigger of the shareholders default drag right as contemplated in the Second Amended and Restated Shareholders Agreement dated 30 September 2015;

the Option Grantee holding the ESOPs shall if so required by the Company, be



required to Exercise his rights in respect of all of the ESOPs, to the extent that the same have vested with the Option Grantee, and offer the resultant Shares in full to facilitate the transaction. The Board shall decide on the treatment of Unvested Options. It is clarified that this sub-clause (C) shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.

- h) Notwithstanding anything contained in the scheme, if the employee transfers his shares within one year from the date of exercising the Options, the employee shall give the Company an irrevocable Right of First Refusal (ROFR). The Company shall have the first right but not the obligation to purchase the shares from the employee at the Fair Market Value. If the Company has had a change of control event or an IPO, this clause will no longer apply. It is clarified that this sub-clause (h) shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.

- i) Exercise Procedure:

An Option Grantee wishing to Exercise the Options Vested in him, shall have to sign a Deed of Adherence and submit the Exercise Application (in the specified format which would be sent to him along with the Letter of Vesting) to such official(s) of the Company as may be intimated in the said Letter of Vesting. It is clarified that this sub-clause (i) shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.

The Options Vested in the Option Grantee could be Exercised by them within the Exercise Period in such number of tranche(s) as they may desire, either wholly or in parts.

An Option Grantee will be entitled to Exercise only one tranche of Options in a calendar month.

- j) Allotment Procedure:

On receipt of the exercise forms along with the exercise price, the Company will allot Shares to the Options Grantee. Such allotment of Shares shall not be later than 60 days from such receipt.

**8. Shares**

- 8.1 All Shares allotted consequent to the Exercise of Options shall rank parri passu in all respects with then existing Shares of the Company.
- 8.2 Shares arising from Exercise of Options shall not be subject to any lock in period unless required under Applicable Law.
- 8.3 On becoming a shareholder, the Option Grantee will be subject to all the terms and conditions applicable to other equity shareholders of the Company as per the Articles of Association of the Company.
- 8.4 If at the time of Exercise of the Options, the Shares of the Company are listed then, subject to the approval of the stock exchanges, the Shares issued and allotted on Exercise of the Options shall be listed on BSE Limited and the National Stock Exchange of India Limited and such other Recognised Stock Exchanges on which the Shares of the Company are listed

**9. Other Terms and Conditions**

- 9.1 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.
- 9.2 On becoming a shareholder, the Option Grantee will be subject to all the terms and conditions applicable to other shareholders as per the Articles of Association of the Company.
- 9.3 The Employee Stock Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 9.4 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 Clause 4.2(c) of ESOP 2015.
- 9.5 Employee Stock Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case clause 7(b) would apply.

- 9.6 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, in which case clause 7(b) would apply.

**10. Deduction/Recovery of Tax**

The Company shall have the right to deduct from the Employee's salary, any of the Employee's or employer'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 to the Option Grantee until such tax obligations have been satisfied by the Option Grantee.

**11. Authority to vary terms**

The Board may, if it deems necessary, vary the terms of ESOP 2015, subject to the Applicable Laws.

**12. Miscellaneous**

**12.1 Government Regulations**

This ESOP 2015 shall be subject to all Applicable Laws, and approvals from governmental authorities.

**12.2 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.

- 12.3 The Grant of an Employee Stock Option does not form part of the Option Grantee's entitlement to compensation or benefits pursuant to his 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 an Employee Stock Option Granted to him in respect of any number of shares or any expectation that an Employee Stock Option might be Granted to him whether subject to any condition or at all.

- 12.4 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.

12.5 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).

12.6 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.

### **13. Notices**

All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOP 2015 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 ESOP 2015 shall be sent to the address mentioned below:

**CARTRADE TECH LIMITED**  
12<sup>th</sup> Floor Vishwaroop IT Park, Sector 30A,  
Vashi, Navi Mumbai 400705

### **14. Governing Law and Jurisdiction**

14.1 The terms and conditions of the ESOP 2015 shall be governed by and construed in accordance with the laws of India.

14.2 The Courts of Mumbai, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP 2015.

14.3 Nothing in this Clause will however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP 2015:

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

**15. Accounting Policy**

The Company shall, to the extent applicable, follow the “Guidance Note on Accounting for Employees 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, in compliance with relevant provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

**16. Certificate from Secretarial Auditors**

To the extent required by Applicable Law, the Board shall at each annual general meeting place before the Shareholders a certificate from the Secretarial auditors of the Company that the ESOP 2010 has been implemented in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in accordance with the resolution of the Company in the general meeting.

**17. Severability**

In the event any one or more of the provisions contained in this ESOP 2010 shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this ESOP 2010, but this ESOP 2010 shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and the ESOP 2010 shall be carried out as nearly as possible according to its original terms and intent.

**18. Confidentiality**

Eligible Employees shall keep the details of the Options granted to them strictly confidential and shall not share/disclose the said details with/to any other Employee. In case of non-adherence to the provisions of this Clause, the Nomination & Remuneration Committee will have the authority to deal with such cases in such manner as it may deem fit in its sole and absolute discretion.



Employee Stock Option Plan 2021 (I)

**CarTrade Tech Limited**

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## **1. Name, Objective and Term of the Plan**

- 1.1 This scheme has been formulated and approved by the Board of the Company at its meeting held on 31 March 2021 in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended, modified, varied or re-enacted, from time to time read with the Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by SEBI ("**SEBI Regulations**")
- 1.2 This Scheme has been approved by the shareholders of the Company at their meeting held on 31 March 2021.
- 1.3 This Plan shall be called the CarTrade Tech Limited Employee Stock Option Plan 2021 (I) ("**ESOP 2021 (I)**").
- 1.4 The objective of the ESOS 2021 (I) is to motivate the Employees 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.
- 1.5 The ESOP 2021 (I) is established with effect from March 31, 2021 and will be further amended in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and will then be effective on approval by the members of Nomination and Remuneration Committee and Board of Directors at their meeting held on July 14, 2022 and shall continue to be in force until the date on which all of the Employee Stock Options available for issuance under the ESOP 2021 I have been issued and Exercised.
- 1.6 The Board of Directors may, subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the ESOP 2021 I.

## **2. Definitions and Interpretation**

### **2.1 Definitions**

The following terms as used herein shall have the meaning specified below:

- i. "**Applicable Law**" means every law relating to Employee Stock Options, including, without limitation to, the Companies Act, 2013 as amended, Securities Exchange Board of India Act, 1992 as amended, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including any circulars, guidelines and rules issued thereunder 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. "**Associate Company**" means a company (present or future) which shall have the same meaning as defined under section 2(6) of the Companies Act, 2013 (18 of 2013).
- iii. "**Board**" means the Board of Directors of the Company;
- iv. "**Companies Act**" means the Companies Act, 2013, as amended, and the rules thereunder and includes any statutory modifications or reenactments thereof;



- v. **"Company"** means "CarTrade Tech Limited" (formerly known as MXC Solutions India Private Limited) incorporated under the Companies Act, 1956, and having its registered office at 12th Floor Vishwaroop IT Park, Sector 30A, Vashi, Navi Mumbai 400705;
- vi. **"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 (HR Policy);
- vii. **"Nomination & Remuneration Committee"** means a committee of such members of the Board as provided under section 178 of the Companies Act, 2013, as amended or modified from time to time;
- viii. **"Control"** shall have the same meaning as defined under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- ix. **"Director"** means a director on the Board of the Company;
- x. **"Eligibility Criteria"** means the criteria as may be determined from time to time by the Board / the Nomination & Remuneration Committee for Granting the Employee Stock Options to the Employees;
- xi. **"Employee"** means
  - (i) an employee as designated by the company, who is exclusively working in India or outside India; or
  - (ii) a director of the company, whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or
  - (iii) an employee as defined in sub-clauses (i) or (ii), of a group company including subsidiary or its associate company, in India or outside India, or of a holding company of the company, but does not include—
    - (a) an employee who is a promoter or a person belonging to the promoter group; or
    - (b) a director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company;
- xii. **"Employee Stock Option" or "Option"** means the employee stock option Granted to an Eligible Employee, which gives such Eligible Employee the right, but not an obligation, to purchase or subscribe at a future date the Shares at a pre- determined price (being the Exercise Price);
- xiii. **"Exercise"** means the making of an application by an Option Grantee to the Company to purchase/ subscribe to the Shares underlying the Options Vested in him in pursuance of the ESOP 2021 I, in accordance with the procedure laid down by the Company for Exercise of Options;
- xiv. **"Exercise Application"** is the prescribed application form in which the Option Grantee is required to apply to the Company for the Exercise of the Vested Options;
- xv. **"Exercise Consideration"** means the amount equivalent to the number of Options

exercised by the Eligible Employee multiplied by the Exercise Price;

- xvi. **“Exercise Period”** means such time period after Vesting within which the Employee should Exercise the Options Vested in him in pursuance of the ESOP 2021 I as set out in paragraph 7.3, unless anything to the contrary is provided in the Letter of Grant;
- xvii. **“Exercise Price”** means the price payable by an Employee in order to Exercise the Options Granted to him in pursuance of the ESOP 2021 I subject to, to the extent applicable, conforming to the accounting policies specified in the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The Exercise Price shall be set out in the notice of stock option grant set out in the Letter of Grant issued to the Option Grantee pursuant to this ESOP 2021 I;
- xviii. **“Fair Market Value” or “FMV”** means as of any date till the Company is listed, the value of a Share as determined by an independent valuer;
- xix. **“Grant”** means the process of issue of Options by the Company to the Option Grantee under the ESOP 2021 I;
- xx. **“Grant Date”** means the date on which the Nomination & Remuneration Committee approves the grant or any other date as mentioned in the grant letter, after the approval of Nomination & Remuneration Committee. For accounting purposes, the grant date will be determined in accordance with applicable accounting standards.
- xxi. **“Group”** means two or more companies (present or future) which, directly or indirectly, are in a position to—
  - (i) exercise twenty-six per cent. or more of the voting rights in the other company; or
  - (ii) appoint more than fifty per cent. of the members of the Board of Directors in the other company; or
  - (iii) control the management or affairs of the other company;
- xxii. **“Independent Director”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- xxiii. **“Key Managerial Personnel”** shall have the same meaning as defined under section 2(51) of the Companies Act, 2013 (18 of 2013);
- xxiv. **“Letter of Grant”** document given to the Option Grantee at the time of Grant of Options pursuant to this ESOP 2021 I setting out the details of the Grant including date of Grant, conditions to Vesting, Exercise Price and other relevant details;
- xxv. **“Option Grantee”** means an Eligible Employee who has been Granted an Employee Stock Option in pursuance of the ESOP 2021 I;
- xxvi. **“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 Board based on

a certificate of a medical expert identified by the Board;

- xxvii. **“Promoter”** shall have such meaning as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;
- xxviii. **“Promoter Group”** shall have such meaning as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;
- xxix. **“Recognised Stock Exchange”** means the BSE, NSE or any other Stock Exchange in India on which the Company’s Shares are listed or to be listed;
- xxx. **“Relative”** shall have the same meaning as defined under section 2(77) of the Companies Act, 2013 (18 of 2013).
- xxxi. **“Retirement”** means retirement as per the rules of the Company;
- xxxii. **“Scheme / Plan / ESOP 2021 I”** means this employee stock option plan under which the Company is authorised to Grant Employee Stock Options to the Eligible Employees;
- xxxiii. **“SEBI Act”** means the Securities & Exchange Board of India Act, 1992 as amended, and includes all regulations and clarifications issued there under;
- xxxiv. **“SEBI Guidelines”** means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and includes all circulars, regulations and clarifications issued there under;
- xxxv. **“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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- xxxvi. **“Securities”** means securities as defined in section 2(h) of the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- xxxvii. **“Shares”** means equity shares of the Company having par value Rs 10 each and ranking pari passu with all other issued and paid up equity shares of the Company;
- xxxviii. **“Subsidiary Company”** means any present or future subsidiary company of the Company, as defined in the Companies Act, 2013;
- xxxix. **“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;
- xl. **“Vesting”** means the earning by the Option Grantee of the right to Exercise the Options Granted to him in pursuance of the ESOP 2021 I;

- xli. **“Vesting Condition”** means any the Vesting Period and any other conditions subject to which the Options Granted would Vest in an Option Grantee as may be set out in the Letter of Grant issued pursuant to this ESOP 2021 I;
- xlii. **“Vesting Period”** means the period during which the Vesting of the Employee Stock Option Granted to the Employee, in pursuance of the ESOP 2021 I takes place which shall be set out in the Letter of Grant; and
- xliii. **“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 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.

## 3. Authority and Ceiling

- 3.1 The shareholders of the Company in their meeting on March 31, 2021, have resolved to formulate and introduce this Scheme pursuant to which upto 5,00,000 new Options and all lapsed and cancelled (current and future) ESOP options of old ESOP 2010, ESOP 2011, ESOP 2014 and ESOP 2015 shall be transfer to ESOP 2021 I will be Granted to Eligible Employees. The ESOP 2021 I Options comprise of 5,00,000 new Options and transfer of 106,631 ungranted employee stock options of ESOP 2010, 167,870 ungranted employee stock options of ESOP 2011, 5,413 ungranted employee stock options of ESOP 2014, and 354,327 ungranted employee stock options of ESOP 2015, in each case, to ESOP 2021 I Each Option under ESOP 2021 I confers a right upon the Option Grantee to apply for one Share in accordance with the terms and conditions set out in this ESOP 2021 I.

The maximum number of Options that shall be granted to any specific identified Employee(s) of the Company or of its Holding or its Subsidiary Company, Group Company, Associate Company (present or future) under ESOP 2021 I, in any financial year and in aggregate under the ESOP 2021 shall not be equal to or exceeding 1% of the issued Capital (excluding outstanding warrants and conversions) of the Company, if the prior specific approval from members of the Company through a special resolution to this effect is not obtained.

- 3.2 If an Employee Stock Option expires or cannot be Exercised due to any other reason, it shall

become available for future Grants, subject to compliance with all Applicable Laws.

- 3.3 Where Shares are issued consequent upon Exercise of an Employee Stock Option under the ESOP 2021 I, the maximum number of Shares that can be issued under ESOP 2021 I as referred to in Clause 3.1 above will stand reduced to the extent of such Shares issued.
- 3.4 In case of a share split where the face value of the Shares is reduced to below Rs 10, the maximum number of Shares available for grant under ESOP 2021 I shall stand modified accordingly so as to ensure that the cumulative face value of the Shares prior to such split remains the unchanged after the share split.

#### **4. Administration**

- 4.1 The ESOP 2021 I shall be administered by the Nomination & Remuneration Committee. All questions of interpretation of the ESOP 2021 I or any Employee Stock Option shall be determined by the Board and such determination shall be final and binding upon all persons having an interest in the ESOP 2021 I or such Employee Stock Option.
- 4.2 Unless specified in this ESOP 2021 I, the / Nomination & Remuneration Committee shall in accordance with Applicable Laws determine the following:
- (a) the quantum of Employee Stock Options to be Granted under the ESOP 2021 I per Employee, subject to the ceiling as specified in paragraph 3.1;
  - (b) the Eligibility Criteria and the maximum number of options that may be granted to an Eligible Employee;
  - (c) the kind of benefits to be granted under ESOP 2021 I;
  - (d) the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of Options and to the Exercise Price in case of corporate actions such as merger, sale of division, stock split / consolidation, rights issues, bonus issues and others. In this regard, the following shall, inter alia, be taken into consideration by the Committee:
    - i. the number and price of Options shall be adjusted in a manner such that total value of the Options in the hands of the Option Grantee remains the same after such corporate action; and
    - ii. the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Option Grantees;
  - (e) the procedure and terms for the Grant, Vesting and Exercise of Employee Stock Option in case of Eligible Employees who are on long leave;
  - (f) the procedure for cashless Exercise of Employee Stock Options;
  - (g) the conditions under which Option Vested in Option Grantee may lapse in case of termination of employment for misconduct;

- (h) the Exercise Period within which the Option Grantee shall Exercise the Vested Options and that the Options would lapse on failure to exercise within the Exercise Period;
  - (i) the Exercise Period within which the Option Grantee shall Exercise the Vested Options in the event of termination or resignation of an Option Grantee;
  - (j) the forms, writings and/or agreements for use in pursuance of the ESOP 2021 I, including the Exercise Application; and
  - (k) the suitable policies and procedures to ensure that there is no violation of the securities laws, as amended from time to time including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 and Securities and Securities Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the company and its employees, as applicable.
  - (l) the procedure for buy-back of specified securities issued under these regulations, if to be undertaken at any time by the company, and the applicable terms and conditions, including:
    - (i) permissible sources of financing for buy-back;
    - (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and
    - (iii) limits upon quantum of specified securities that the company may buy-back in a financial year.
  - (m) Any other related or incidental matters
- 4.3 The Company shall obtain permissions from, and making periodic reports to, relevant regulatory authorities, as may be required and ensure compliance with all Applicable Laws in respect of this ESOP 2021 I.

## **5. Eligibility and Applicability**

- 5.1 Only Employees are eligible for being Granted Employee Stock Options under ESOP 2021 I. The specific Employees to whom the Options would be Granted and their eligibility criteria would be determined by the Nomination & Remuneration Committee.
- 5.2 The Scheme shall be applicable to the Company, its Subsidiary Companies in India and abroad, its Holding Company, Associate Company, Group Company (present or future) and any successor Company thereof and may be Granted to the Employees and Directors of the Company, its subsidiaries and its holding Company, Associate Company, Group Company (present or future), as determined by the Nomination & Remuneration Committee on its own discretion **Provided that** in case of any Grant to the Employees of the Subsidiaries, Associate Company, Group Company (present or future), the Company shall obtain prior approval of the shareholders of the Company by way of a special resolution.
- 5.3 Upon listing of the Company's Equity Shares pursuant to an IPO, the Company will ensure that the Scheme is ratified by shareholders of the Company as required under Regulation 12(1) of the (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, prior to making any fresh grants under the Scheme.

**6. Vesting Schedule / Conditions**

- 6.1 The Vesting Period of Options Granted under ESOP 2021 I shall be not less than one year and not more than five years from the date of Grant of such Options.
- 6.2 Vesting of Options would be subject to the continued employment of the Option Grantee with the Company or the Holding Company or its Subsidiary Company or Associate Company or Group Company and thus the Options would Vest on passage of time.
- 6.3 In addition to this, the / Nomination & Remuneration Committee may in its sole and absolute discretion also specify certain performance parameters subject to which the Options would Vest including performance, merit and conduct of the Eligible Employee; there has been no misconduct by the Eligible Employee; the Eligible Employee has not abandoned the service; the Eligible Employee has not committed any act of moral turpitude; the Eligible Employee is not engaged in any capacity with any other company or entity which is in similar line of business as that of the Company during his/ her employment/ services or directorship with the Company or post resignation or termination from the Company as per terms of this Scheme; the Eligible Employee has not been suspended from the services of the Company; there has been no show cause notice that has been issued against the Eligible Employee or against whom no enquiry is being or has been initiated, for any reason whatsoever, including but not limited to misconduct, violation of Company Policies / Terms of Employment or codes of the Company (like employees code of conduct, share dealing code etc.) or for having committed or abetted any illegal or unlawful activity or fraudulently or intentionally violated the provisions of laws applicable to the business of the Company.
- 6.4 The Unvested Options and the Vested Options of an Option Grantee who has been suspended from the services of the Company or to whom a show cause notice has been issued or against whom an enquiry is being or has been initiated, for any reason whatsoever, shall be suspended and kept in abeyance. Once the outcome of the inquiry is declared and the Eligible Employee is dismissed/discharged, then the provisions of 7(b) shall become applicable. If such Eligible Employee is not dismissed/discharged, then such Eligible Employee shall be allowed to exercise the Vested Options. In case of Options that have been suspended or kept in abeyance, the same may vest in the concerned Option Grantee subject to compliance of such additional terms and conditions, as may be imposed by the Nomination & Remuneration Committee in its sole and absolute discretion.
- 6.5 The specific Vesting schedule and conditions subject to which Vesting would take place shall be set out in the Letter of Grant issued to the Option Grantee pursuant to this ESOP 2021 I.
- 6.6 In the event of death or permanent incapacity of an Employee, the minimum vesting period of one year shall not be applicable and in such instances, the options shall vest on the date of the death or permanent incapacity in accordance with Clause 7.3.
- 6.7 The Board / Nomination & Remuneration Committee at its sole and absolute discretion be entitled to cancel any and all Vested Options and Unvested Options of an Option Grantee at any time if the Option Grantee:
- i. fails to comply with any of the terms and conditions of the Company Policies / Terms of Employment; or



- ii. within a period of 2 (two) years from the termination of his employment with the Company, whether alone or jointly with another and whether directly or indirectly through one or more affiliates, carries on or is engaged or employed or concerned or interested economically or otherwise in any manner in any Competitor (being any entity engaged on its own or through its affiliates, directly or indirectly, in a business (a) which is similar or identical to the Company's business, or (b) which can be reasonably said to be in competition with the Company's business); or
  - iii. within a period of 2 (two) years from the termination of his employment with the Company,, solicits any employees, officers, clients, investors, or vendors of the Company or Subsidiary Company
  - iv. if any Employee resigns / is terminated within two (2) years from the date of Grant.
- 6.8 Options cancelled by the Board / Nomination & Remuneration Committee pursuant to the above paragraph, if any, shall constitute lapsed Options and shall be available for Grant by the Nomination & Remuneration Committee to any other Eligible Employee(s) as provided under this Scheme.
- 7. Exercise**
- 7.1 The Exercise Price shall be set out in the Letter of Grant and shall be equal to either of the following as decided by the Board/ Nomination & Remuneration Committee:
- i. the FMV as certified by an independent valuer at the time of Grant, or
  - ii. or with such discount to the FMV at the time of Grant as may be decided by the Board / Nomination & Remuneration Committee
- and shall be specified in the Letter of Grant.
- 7.2 The / the Nomination & Remuneration Committee may round off the Exercise Price to the nearest rupee. Further no amount shall be payable by the option grantee at the time of grant and hence no amount is required to be forfeited even if an employee does not exercise the options within exercise period and accordingly no adjustment is required to be made for the same.
- 7.3 The Employee Stock Options shall be capable of being Exercised in one or more tranches within the Exercise Period, and in accordance with the terms applicable in different scenarios, in each case as per the provisions as outlined in the tables below:

Scenario		Prior to Listing	Post Listing
1	<b>While Employment</b>	in All Vested Options can be Exercised only 4 (four) years after the date of Grant and must be Exercised within 10 (ten) years of Grant.	All Vested Options can be Exercised only 2 (two) years after the date of Grant and must be Exercised within 10 (ten) years of Grant.



	Scenario	Prior to Listing	Post Listing
2	<b>Resignation / Termination (other than due to misconduct or breach of Company Policies / Terms of Employment)</b>	<p>If any employee resigns / is terminated within two (2) years from the date of Grant, all Vested Options shall stand cancelled with effect from the last working day.</p> <p>If the resignation / termination is after two (2) years from the date of Grant then all Vested Options can be exercised only 4 (four) years after the date of Grant and must be Exercised any time within 10 years from the date of Grant.</p> <p>All Unvested Options on the date of submission of resignation / termination shall stand cancelled with effect from that date.</p>	<p>If any employee resigns / is terminated within two (2) years from the date of Grant, all Vested Options at the time of resignation shall stand cancelled with effect from the last working day.</p> <p>If the resignation / termination is after two (2) years from the date of Grant, all Vested Options must be Exercised within a period of 3 (three) months from the date of resignation / termination.</p> <p>All Unvested Options on the date of submission of resignation / termination shall stand cancelled with effect from that date.</p>
3	<b>Termination due to misconduct or due to breach of Company Policies / Terms of Employment or acts or omission which amount to an act of moral turpitude and / or which result in a loss of confidence of the Company towards the Option Grantee</b>	All the Vested Options and Unvested Options at the time of such termination shall stand cancelled with effect from the date of such termination.	All the Vested Options and Unvested Options at the time of such termination shall stand cancelled with effect from the date of such termination.
4	<b>Retirement / Early Retirement approved by the Company / Superannuation</b>	<p>All Vested Options can be exercised only after 4 (four) years from the date of Grant and must be Exercised within 10 (ten years of Grant.</p> <p>All Unvested Options will stand cancelled as on the date of such retirement, unless otherwise determined by the Board and /or Nomination &amp; Remuneration Committee whose determination will be final and binding.</p>	<p>All Vested Options must be Exercised by the Option Grantee within a period of 3 (three) months from the date of such retirement.</p> <p>All unvested Options shall continue to vest in accordance with the respective vesting schedules and may be exercised by the Option grantee within the period as may be decided by the Nomination &amp; Remuneration Committee. Nomination &amp; Remuneration Committee.</p>

Scenario		Prior to Listing	Post Listing
5	<b>Death of Option Grantee while in employment with the Company</b>	<p>All Unvested Options shall automatically Vest upon the completion of 1 (one) year from the date of Grant.</p> <p>All Vested Options may be Exercised only after 4 (four) years from the date of Grant and must be Exercised within 10 (ten) years of Grant, by the Option Grantee's nominee or legal heirs.</p>	<p>All unvested Options as on the date of death shall vest immediately and may be exercised by the Option grantee's nominee or legal heir/s within 1 year from the date of Death. All Vested Options must be Exercised by the Option Grantee's nominee or legal heirs immediately after, within 1 (one) year from the date of Death of the Option Grantee.</p>
6	<b>Termination of Option Grantee's employment with the Company due to Permanent Disability</b>	<p>All Unvested Options shall automatically Vest upon the completion of 1 (one) year from the date of Grant.</p> <p>All Vested Options can be exercised only after 4 (four) years from the date of Grant and must be Exercised within 10 years of Grant by the Option Grantee or, in case of his death, the nominee or legal heirs.</p>	<p>All unvested Options as on the date of such permanent disability 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 immediately after, but in no event later than 1 year from the date of such disability.</p> <p>All Vested Options must be Exercised within a period of 1 (one) year from the date of Vesting by the Option Grantee or, in case of his death, the nominee or legal heirs.</p>
7	<b>Abandonment</b>	All the Vested Options and Unvested Options shall stand cancelled.	All the Vested Options and Unvested Options shall stand cancelled.
8	<b>Separation due to reasons other than those mentioned above</b>	The / Nomination & Remuneration Committee will decide whether the Vested Options on the date of separation can be Exercised by the Option Grantee or not, and such decision shall be final.	The / Nomination & Remuneration Committee will decide whether the Vested Options on the date of separation can be Exercised by the Option Grantee or not, and such decision shall be final.

7.4 All Options, if any, which are not Exercised within the Exercise Period set out in the above table shall, unless the Board / Nomination & Remuneration Committee determines otherwise, lapse at the end of the relevant Exercise Period and shall be available for Grant by the Board / Nomination & Remuneration Committee to any other Eligible Employee(s) as provided under this Scheme.

7.5 Exercise Procedure:

- i. The Board / Nomination & Remuneration Committee may formulate detailed procedure for Exercise of Options including, if required and deemed appropriate, the procedures for

cashless exercise of Options. The same shall be notified to the Option Grantees by the Company from time to time. The Company shall endeavour to allot Shares in respect of Options Exercised at such interval (being at least once a year) as it may decide and the tentative dates of allotment of Shares against Exercise of Options will be informed to the Option Grantees in advance.

- ii. The Exercise Application shall be in such form as may be prescribed by the Board / Nomination & Remuneration Committee in this regard and the Options Grantee shall have to pay the Exercise Consideration and applicable perquisite tax or other similar taxes or other charges or levies as may be required and submit such other documents as may be required by the Board / Nomination & Remuneration Committee for the purpose of Exercising the Options. The Exercise Application and the said documents will be made available to the Option Grantee on request.
  - iii. The payment of the Exercise Consideration shall be made by a crossed cheque or a demand draft drawn in favour of the Company, or in such additional mode as the Nomination & Remuneration Committee may decide.
- 7.6 The Options Vested in the Option Grantee could be Exercised by him within the Exercise Period in such number of tranche(s) as they may desire, either wholly or in parts.
- 7.7 An Option Grantee wishing to Exercise the Options Vested in him, shall have to sign a deed of adherence agreeing to comply with the terms of the Minority Shareholders' Agreement dated 21 February 2021 as may be amended from time to time in accordance with its terms. It is clarified that this sub-clause shall fall away automatically upon listing of the Company on recognized stock exchanges without any act or deed by any person.
- 8. Shares**
- 8.1 All Shares allotted consequent to the Exercise of Options shall rank parri passu in all respects with then existing Shares of the Company.
- 8.2 Shares arising from Exercise of Options shall not be subject to any lock in period unless required under Applicable Law.
- 8.3 On becoming a shareholder, the Option Grantee will be subject to all the terms and conditions applicable to other equity shareholders of the Company as per the Articles of Association of the Company.
- 8.4 If at the time of Exercise of the Options, the Shares of the Company are listed then, subject to the approval of the stock exchanges, the Shares issued and allotted on Exercise of the Options shall be listed on BSE Limited and the National Stock Exchange of India Limited and such other Recognised Stock Exchanges on which the Shares of the Company are listed.
- 8.5 At any time if the Company enters:
- i. a transaction which results in acquisition by a third Person of the substantial assets or Shares of the Company, or

- ii. any consolidation, merger, reorganization or other similar transaction (whether in one or a series of transactions) resulting in third party ownership of more than 50% (fifty percent) of the voting share capital of the Company or the surviving entity, immediately following such transaction, after giving effect to any conversion, exercise or exchange of any Securities convertible into or exercisable or exchangeable for, such voting Securities;

The Board / Nomination & Remuneration Committee shall, subject to the provisions of Applicable Laws, decide the action to be taken with respect to the Options. The decision taken by the Nomination & Remuneration Committee shall be binding on all the Option Grantees.

- 8.6 In case of a transaction as a result of the trigger of the shareholders default drag right as contemplated in the Sixth Amended and Restated Shareholders Agreement dated 30 January 2020, as may be amended from time to time in accordance with its terms. The Option Grantees shall, if so required by the Board / Nomination & Remuneration Committee, Exercise all of the Vested Options and offer the resultant Shares to the transferee in case of the drag to facilitate the transaction. The Board / Nomination & Remuneration Committee shall decide on the treatment of Unvested Options. It is clarified that this paragraph 8.6 shall fall away automatically upon listing of the Company on Recognized Stock Exchanges without any act or deed by any person.

- 8.7 The Option Grantee shall:

- i. not transfer his Shares issued pursuant to the Exercise of Options to a Competitor (being any entity engaged on its own or through its affiliates, directly or indirectly, in a business (a) which is similar or identical to the Company's business, or (b) which can be reasonably said to be in competition with the Company's business);
- ii. give the Company an irrevocable right of first refusal to acquire the Shares from an Option Grantee at Fair Market Value in case the Option Grantee proposes to transfer his Shares issued pursuant to the Exercise of Options within one year from the date of exercising the Options;
- iii. shall not, within a period of 2 (two) years from the termination of his employment with the Company, whether alone or jointly with another and whether directly or indirectly through one or more affiliates, carry on or be engaged or employed or concerned or interested economically or otherwise in any manner in any Competitor (being any entity engaged on its own or through its affiliates, directly or indirectly, in a business (a) which is similar or identical to the Company's business, or (b) which can be reasonably said to be in competition with the Company's business); and
- iv. shall not, within a period of 2 (two) years from the termination of his employment with the Company, solicit any employees, officers, clients, investors, or vendors of the Company or Subsidiary Company.

The Option Grantee shall enter into an agreement to this effect at the time of Exercise if so required by the Nomination & Remuneration Committee / Board / Company.

It is clarified that this paragraph 8.7 (i) and (ii) shall fall away automatically upon listing of the Company on Recognized Stock Exchanges without any act or deed by any person.

- 8.8 Other than as stated in paragraph 8.7 above and Applicable Law, there will be no restriction on the transferability of Shares which may be allotted / issued on the Exercise of Options granted pursuant to this Scheme.

## **9. Other Terms and Conditions**

- 9.1 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.
- 9.2 The Employee Stock Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 9.3 Employee Stock Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case paragraph 7.3 would apply.
- 9.4 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, in which case paragraph 7.3 would apply.
- 9.5 The Grant of an Employee Stock Option does not form part of the Option Grantee's entitlement to compensation or benefits pursuant to his 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 an Employee Stock Option Granted to him in respect of any number of shares or any expectation that an Employee Stock Option might be Granted to him whether subject to any condition or at all.
- 9.6 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.
- 9.7 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).
- 9.8 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.
- 9.9 Method of Valuation - the Company will follow fair value method for computing the compensation cost, if any, for the options granted. The company will follow IFRS/ IND AS/ any other requirements for accounting of the Stock options as are applicable to the Company for the same.

## **10. Deduction/Recovery of Tax**

- 10.1 The liability of paying taxes if any, in the Employee Stock Option granted pursuant to this ESOP

2021 I and the Shares issued pursuant to Exercise of rights shall be entirely on Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 and the rules framed thereunder.

10.2 At the time the Employee Stock Options are Exercised, in whole or in part, or at any time thereafter as requested by the Nomination & Remuneration Committee, the Nomination & Remuneration Committee shall be entitled to withhold from payroll and any other amounts payable to the Option Grantee until such tax obligation has been satisfied by the Option Grantee. The Company shall have no obligation to deliver Shares to the Option Grantee until such tax obligations have been satisfied by the Option Grantee.

10.3 The Option Grantee may be required to pay certain taxes as a result of the Option Grantee's purchase or disposition of Shares on Exercise of the Employee Stock Options. In connection with the purchase or disposition of such Shares, the Option Grantee is not relying on the Company for any tax advice and shall seek independent advice in respect of the same and the Option Grantee shall be required to make due payments of all such taxes as per Applicable Law, which may arise as aforesaid.

#### **11. Authority to vary terms**

The Board may through a special resolution at a general meeting, if it deems necessary, vary the terms of ESOP 2021 I, subject to the Applicable Laws, provided that such variation is not prejudicial to the interests of the Employees.

#### **12. Miscellaneous**

##### **12.1 Government Regulations**

This ESOP 2021 I shall be subject to all Applicable Laws, and approvals from governmental authorities and shareholders, if and to the extent necessary or advisable.

##### **12.2 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.

#### **13. Notices**

All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOP 2021 I 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 ESOP 2021 I shall be sent to the address mentioned below:

CarTrade Tech Limited  
(formerly known as MXC Solutions India Private Limited)  
12th Floor, Vishwaroop IT Park, Sector 30A,  
Vashi, Navi Mumbai 400 705, Maharashtra, India

**14. Governing Law and Jurisdiction**

- 14.1 The terms and conditions of the ESOP 2021 I shall be governed by and construed in accordance with the laws of India.
- 14.2 The Courts of Mumbai, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP 2021 I.
- 14.3 Nothing in this Clause will however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP 2021 I:
- (i) in any other court of competent jurisdiction; or
  - (ii) concurrently in more than one jurisdiction.

**15. Accounting Policy**

The Company shall, to the extent applicable, follow the "Guidance Note on Accounting for Employees 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, in compliance with relevant provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021..

**16. Certificate from Secretarial Auditors**

To the extent required by Applicable Law, the Board shall at each annual general meeting place before the Shareholders a certificate from the Secretarial auditors of the Company that the ESOP 2021 I has been implemented in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in accordance with the resolution of the Company in the general meeting.

**17. Severability**

In the event any one or more of the provisions contained in this ESOP 2021 I shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this ESOP 2021 I, but this ESOP 2021 I shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and the ESOP 2021 I shall be carried out as nearly as possible according to its original terms and intent.

**18. Confidentiality**

Eligible Employees shall keep the details of the Options granted to them strictly confidential and shall not share/disclose the said details with/to any other Employee. In case of non-adherence to the provisions of this Clause, the Nomination & Remuneration Committee will have the authority to deal with such cases in such manner as it may deem fit in its sole and absolute discretion.

**CARTRADE TECH LIMITED EMPLOYEE STOCK OPTION SCHEME 2021 (II)**



**CARTRADE TECH LIMITED**



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## **1. Name, Objective and Term of the Plan**

- 1.1 This scheme has been formulated and approved by the Board of the Company at its meeting held on March 30, 2021 in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended, modified, varied or re-enacted, from time to time read with the Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by SEBI ("**SEBI Regulations**")
- 1.2 This Scheme has been approved by the shareholders of the Company at their meeting held on March 31, 2021.
- 1.3 This Plan shall be called the CARTRADE TECH LIMITED EMPLOYEE STOCK OPTION SCHEME 2021 (II) ("**ESOP 2021 (II)**").
- 1.4 The purpose of the ESOP 2021 (II) is to retain, reward and motivate the Chief Executive Officer by sharing the values he creates / has created / will create in the years to come for the Company.
- 1.5 The ESOP 2021 (II) is established with effect from March 31, 2021 and will be further amended in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and will then be effective on approval by the members of Nomination and Remuneration Committee and Board of Directors at their meeting held on August 27, 2022 and shall continue to be in force until the date on which all of the Employee Stock Options available for issuance under the ESOP 2021 (II) have been issued and Exercised.
- 1.6 Notwithstanding anything to the contrary contained herein any termination, amendment, or suspension of the ESOP 2021 (II) shall be without prejudice to and will not affect the Vesting and Exercise of any Employee Stock Options already granted which shall be governed by the terms and conditions of this ESOP 2021 (II).

## **2. Definitions and Interpretation**

### **2.1 Definitions**

- i. "**Accelerated Vesting Events**" has the meaning assigned to such term in Clause 6.4 of this ESOP 2021 (II);
- ii. "**Applicable Law**" means every law relating to Employee Stock Options, including, without limitation to, the Companies Act 2013 and includes any statutory modifications or re-enactments thereof, the applicable provisions of the Companies Act, 1956, if any, SEBI Act, the the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEBSE Regulations**") and amendments thereof, and all other 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;

- iii. **"Board"** means the Board of Directors of the Company.
- iv. **"Chief Executive Officer"** or **"CEO"** means an Employee within the meaning of ESOP 2021.
- v. **"Change in Control"** has the meaning assigned to such term in the SHA;
- vi. **"Companies Act"** means (i) the (Indian) Companies Act, 2013 (to the extent notified on the relevant date) and ((II)) the (Indian) Companies Act, 1956 (to the extent enforceable on the relevant date) and includes any statutory modifications or reenactments thereof.
- vii. **"Company"** means "CarTrade Tech Limited" (formerly known as MXC Solutions India Private Limited incorporated under the Companies Act, 1956, and having its registered office at 12th Floor Vishwaroop IT Park, Sector 30A, Vashi, Navi Mumbai 400705 (which deems to include the Companies Act, 2013);
- viii. **"Nomination & Remuneration Committee"** / **"Committee"** means Committee of Board of Directors (by whatever name called and having such members of the Board of the Company as provided under Section 178 of the Companies Act) constituted for administration and superintendence of the ESOP 2021;
- ix. **"Designation Change Event"** means Vinay's designation being changed at the instance of the Company to anything other than CEO without Vinay's consent;
- x. **"Eligibility Criteria"** means the criteria for an Employee to participate in the ESOP 2021 (II) as set out Clause 5 of this ESOP 2021 (II).
- xi. **"Eligible Employee"** means an Employee who meets the Eligibility Criteria;
- xii. **"Employee"** means a permanent employee of the Company working in India or out of India but excludes
  - (a) an employee who is a promoter or belongs to the promoter group;
  - (b) a director who either by himself or through his relatives or through a body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company.
- xiii. **"Employee Stock Option"** / **"ESOP"** / **"Option"** means the employee stock options Granted to an Option Grantee, which gives such Option Grantee the right, but not an obligation, to subscribe at a future date to Shares underlying the Option at the Exercise Price.

- xiv. **“Equity Share”** means the means equity shares in the issued, subscribed and paid-up equity share capital of the Company having a face value of Rs. 10 (ten rupees only) each and all other (if any) shares or stock in the capital of the Company resulting from any subdivision, consolidation or reclassification of shares in the equity share capital of the Company, and **“Equity Share”** shall be construed accordingly;
- xv. **“ESOP 2021 (II)” / “Scheme” / “Plan”** means this employee stock option scheme of the Company under which the Company is authorised to grant Employee Stock Options to the Chief Executive Officer.
- xvi. **“Exercise”** of an Employee Stock Option means expression of an intention by the Option Grantee to the Company to purchase the Shares underlying the Employee Stock Options Vested in him at the Exercise Price, pursuant to and in accordance with the terms and conditions of the ESOP 2021 (II).
- xvii. **“Exercise Application”** shall mean the prescribed application form in which the Eligible Employee is required to apply to the Company along with a cheque/demand draft in respect of the Exercise Consideration, and other expenses including tax on perquisite value of the Options exercised or any other charges or levies as may be required; and such other documents as may be prescribed pursuant to the provisions of this ESOP-2021 (II), for exercising the Options vested in him/her;
- xviii. **“Exercise Period”** means such time period within which the Option Grantee should Exercise the Employee Stock Options Vested in him in pursuance of the ESOP 2021 (II), which period shall be specified in this ESOP 2021 (II).
- xix. **“Exercise Consideration”** means the amount equivalent to the number of Options exercised by the Eligible Employee multiplied by the Exercise Price;
- xx. **“Exercise Price”** means the price payable by the Option Grantee in order to Exercise the Employee Stock Options Vested in him in pursuance of the ESOP 2021 subject to conforming to the accounting policies specified in the SEBI SBEBSE Regulations, which price shall be set out in the notice of stock option grant set out in Notice of Stock Option Grant issued to the Option Grantee pursuant to this ESOP 2021 (II);
- xxi. **“Employment Agreement”** means the employment contract or agreement entered into between Company and Vinay dated 1 September 2009;
- xxii. **“Fair Price Per Share”** means the price per Equity Share determined by a merchant banker acceptable to Vinay or his heirs, acting reasonable, who will provide a valuation of the Company in accordance with internationally accepted accounting principles to identify the fair value of the Equity Shares of the Company as on the date of such Accelerated Vesting Event;

- xxiii. **“Fixed Remuneration”** means the basic annual fixed compensation that is payable to Vinay under the Employment Agreement, excluding any bonuses or perquisites;
- xxiv. **“Good Reason”** means the occurrence of any of the following events:
  - a) Any mala fide reduction of Vinay’s roles, duties or responsibilities effected by the Company specifically with a view to cause Vinay to resign from the Company;
  - b) On occurrence of Designation Change Event;
  - c) Relocation of Vinay’s principal office / place of work to a location other than Mumbai, except where the principal office / place of work of the Company is shifted and the Company requires Vinay to, and Vinay agrees to relocate to such location;
  - d) Non-payment of remuneration payable by the Company to Vinay under the Employment Agreement where such default in payment continues for a period of 30 (Thirty) days from the due date for payment of such remuneration;
  - e) Any reduction in the Fixed Remuneration payable to Vinay in terms of the Employment Agreement, other than any reduction in such Fixed Remuneration by the Board or the Nomination & Remuneration Committee done reasonably in the ordinary course of business and not specifically with a view to cause Vinay to resign from the Company; or
  - f) Permanent Disability, as certified by a reputed medical practitioner.
- xxv. **“Grant”** means issue of Employee Stock Options to the Option Grantee under the ESOP 2021 (II) and as set out in the Notice of Stock Option Grant issued to the Option Grantee pursuant to this ESOP 2021 (II) and **“Granted”** shall be construed accordingly.
- xxvi. **“Independent Director”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- xxvii. **“Key Managerial Personnel”** shall have the same meaning as defined under section 2(51) of the Companies Act, 2013 (18 of 2013);
- xxviii. **“Minimum Period”** means the mandatory minimum period (currently of 1 (one) year) stipulated under Applicable Law which is to be maintained between the Grant and Vesting of the Options;
- xxix. **“Option Grantee”** means any Eligible Employee who has been Granted Employee Stock Options in pursuance of the ESOP 2021 (II);

- xxx. **“Permanent Disability”** means any disability (whether physical or mental) which renders Vinay incapable of performing the role Vinay was assigned by the Board;
- xxxi. **“Relative”** shall have the same meaning as defined under section 2(77) of the Companies Act, 2013 (18 of 2013).
- xxxii. **“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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- xxxiii. **“Securities”** means securities as defined in section 2(h) of the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- xxxiv. **“SEBI Act”** means the Securities and Exchange Board of India Act, 1992 as amended, and includes all regulations, circulars, and clarifications issued thereunder.
- xxxv. **“SEBI SBEBSE Regulations”** means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended, and includes all circulars and clarifications issued thereunder;
- xxxvi. **“SHA”** means the Shareholders Agreement as defined in the Articles of the Company, as modified, or amended from time to time;
- xxxvii. **“Shares” / “Equity Shares”** means equity shares of the Company arising out of the Exercise of Employee Stock Options Granted under the ESOP 2021.
- xxxviii. **“Subsidiary Company”** means any present or future subsidiary company of the Company, as defined in the Companies Act.
- xxxix. **“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.
- xl. **“Vesting”** means earning by the Option Grantee of the right to Exercise the Employee Stock Options Granted to him in pursuance of the ESOP 2021.
- xli. **“Vesting Condition”** means any condition subject to which the Employee Stock Options Granted would Vest in an Option Grantee as may be set out in the Notice of Stock Option Grant issued to the Option Grantee pursuant to this ESOP 2021.
- xlii. **“Vested Option”** means an Option in respect of which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible, subject to the commencement of the Exercise Period, to Exercise the Option.

## 2.2 Interpretation

In this Plan, unless the contrary intention appears:

- i. the clause headings are for ease of reference only and shall not be relevant to interpretation;
- ii. a reference to a clause number is a reference to its sub-clauses;
- iii. words in singular number include the plural and vice versa;
- iv. words importing a gender include any other gender;
- v. a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.

## 3. Authority and Ceiling

- 3.1 The Shareholders of the Company in their meeting on March 31, 2021 have by special resolution resolved to authorise the Board to issue to Option Grantee, not more than 20,00,000 Employee Stock Options under ESOP 2021 (II) exercisable into a maximum of 20,00,000 Shares, with each such Employee Stock Option conferring a right upon the Option Grantee to apply for one Equity Share in accordance with the terms and conditions set out in this ESOP 2021 (II).
- 3.2 If an Employee Stock Option once granted expires or is cancelled due to any reason in terms of this ESOP 2021 (II), it shall become available for future Grants, subject to compliance with all Applicable Laws. The Nomination & Remuneration Committee will have power to re-grant such Employee Stock Options.
- 3.3 Where Shares are issued consequent upon Exercise of an Employee Stock Option under the ESOP 2021 (II), the maximum number of Shares that can be issued under ESOP 2021 (II) as referred to in Clause 3.1 (*Authority and Ceiling*) above will stand reduced to the extent of such Shares issued.

## 4. Administration

- 4.1 The ESOP 2021 shall be administered by the Nomination & Remuneration Committee. All questions of interpretation of ESOP 2021 (II) shall be determined by the Nomination & Remuneration Committee and such determination shall be final and binding upon all persons having an interest in the ESOP 2021 (II).
- 4.2 The Nomination & Remuneration Committee has been authorised to determine all the terms governing this ESOP-2021 (II), in its sole and absolute discretion including any variation or modification thereof but not limited to the following:

- i. the quantum of Employee Stock Options to be Granted under the ESOP 2021 (II) to the Option Grantee, subject to the ceiling as specified in Clause 3.1 (*Authority and Ceiling*);
  - ii. the procedure and terms for the Grant, Vesting and Exercise of Employee Stock Option;
  - iii. the procedure for implementation of ESOP 2021 (II) and administration by the Nomination & Remuneration Committee;
  - iv. the procedure for cashless Exercise of Employee Stock Options, if required;
  - v. approve forms, writings and/or agreements for use in pursuance of the ESOP 2021 (II);
  - vi. the procedure for making fair and reasonable adjustment to the number of Employee Stock Options and to the Exercise Price in case of corporate actions such as merger, de-merger, amalgamation, reverse merger, or subsidiarization, sale of division, stock split / stock consolidation, bonus issue (hereinafter collectively referred to as “**Restructuring**”) taking into consideration that: (A) the number and Exercise Price of Options shall be adjusted in a manner such that total value to the Option Grantee of the Options remains the same after the Restructuring; and (B) the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Option Grantee; and
  - vii. to frame suitable policies and procedures to ensure that there is no violation of the securities laws, as amended from time to time including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 and Securities and Securities Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the company and its employees, as applicable.
- 4.3 Options not Exercised within the stipulated time, or Options not Vested due to non-fulfilment of the stipulated conditions, if any, or Vested Options which have voluntarily been surrendered or otherwise, shall be treated to have lapsed and these Options will be available for Grant by the Nomination & Remuneration Committee to any Eligible Employee or other Employee(s) as it may deem fit in its sole and absolute discretion, under this Scheme or any other subsequent scheme(s).
- 5. Eligibility**
- 5.1 Only an Employee who is the Chief Executive Officer / director / senior key management person is eligible for being Granted Employee Stock Options under ESOP 2021 (II).
- 6. Vesting Schedule / Conditions**
- 6.1 The Employee Stock Options Granted under ESOP 2021 (II) would Vest in not less than one year and not more than five years from the date of Grant of such Employee Stock Options



(“**Vesting Period**”).

- 6.2 The Options shall continue to vest over any period of leave (and such period of leave shall be included in determining the Vesting Period) in the event the Option Grantee is on a sabbatical or approved earned leave and sick leave.
- 6.3 The specific vesting schedule and conditions subject to which Vesting would take place shall be set out in the Notice of Stock Option Grant issued to the Option Grantee pursuant to this ESOP 2021 (II).
- 6.4 Notwithstanding the provisions of Notice of Stock Option Grant issued to the Option Grantee pursuant to this ESOP 2021, the Vesting of the Unvested Options of Vinay shall accelerate, and Vest with the Option Grantee (“**Accelerated Vesting Events**”) as follows:
- (a) All Unvested Options shall Vest forthwith in the Option Grantee, upon the Company being desirous of terminating the Employment of the Option Grantee as CEO for any reason and issuing a notice to that effect;
  - (b) All Unvested Options shall Vest forthwith in the Option Grantee, upon the Option Grantee being desirous of terminating his Employment with the Company for Good Reason and issuing a notice to that effect;
  - (c) All Unvested Options shall Vest forthwith with the Option Grantee, upon the occurrence of a Designation Change Event;
  - (d) All Unvested Options shall Vest forthwith in the Option Grantee, upon occurrence of a Change in Control; and
  - (e) All Unvested Options shall Vest forthwith in Option Grantee’s heirs, on Option Grantee’s death or in Option Grantee on Option Grantee’s Permanent Disability.

For the purpose of this Agreement, the ‘Vested Options’ shall also include all the Options Vested pursuant to any of the Accelerated Vesting Events.

- 6.5 To the extent that Minimum Period has not elapsed at the time of the occurrence of the Accelerated Vesting Event (“**Relevant Date**”) then, notwithstanding the lapsing or cancellation of any Options not Vested in Vinay on the Relevant Date, the Company shall promptly compensate the Option Grantee (or his heirs, as the case may be) by paying to the Option Grantee (or his heirs, as the case may be) an amount in Indian Rupees determined by the following formula:

Amount in Indian Rupees payable to Vinay or his heirs =  $(A \times B) - (A \times C)$

Where:

A = 20,00,000

B = Fair Price Per Share

C = 825

- 6.6 Any Option once Vested shall not be cancelled by the Company.
- 6.7 In the event of death or permanent incapacity of an Employee, the minimum vesting period of one year shall not be applicable and in such instances, the options shall vest on the date of the death or permanent incapacity in accordance with Clause 7.3.

## 7. Exercise

- 7.1 The Vested Options shall be exercised in one or more tranches by the Option Grantee within the Exercise Period set out in the table below and Unvested Options will be dealt with as per the provisions outlined in the table below:

		Prior to Listing	after Listing
1	<b>While in Employment</b>	<p>All Vested Options can be Exercised upon Vesting or after listing of Shares on a Recognised Stock Exchange, whichever is earlier.</p> <p>However, Vinay must Exercise the Vested Options within 12 (Twelve) years from the date of listing on a Recognised Stock Exchange failing which the Vested Options not Exercised up to such date shall automatically stand cancelled.</p>	<p>All Vested Options shall be Exercisable at any time within a maximum period of 12 (twelve) years from the date of Vesting failing which the Vested Options not Exercised up to such date shall automatically stand cancelled.</p>
2	<b>Resignation by Vinay for Good Reason / Termination by the Company</b>	<p>All Vested Options can be Exercised at the time, in the manner and subject to the conditions set out in row 1 of this table (titled 'While in Employment').</p>	<p>All Vested Options shall be Exercisable at any time within a maximum period of 12 (Twelve) years from his last working day with the Company, failing which the Vested Options not Exercised up to such date shall automatically stand cancelled.</p>

3	<b>Resignation by Vinay for reasons other than Good Reason</b>	<p>All Vested Options can be Exercised at the time, in the manner and subject to the conditions set out in row 1 of this table (titled 'While in Employment').</p> <p>All Unvested Options on the date of such resignation shall stand cancelled with effect from that date.</p>	<p>All the Vested Options shall be Exercisable by Vinay within a maximum period of 12 (Twelve) years from his last working day with the Company, failing which the Vested Options not Exercised up to such date shall automatically stand cancelled.</p> <p>All Unvested Options on the date of such resignation shall stand cancelled with effect from that date.</p>
4	<b>Death or Permanent Disability</b>	<p>All Vested Options can be Exercised at the time, in the manner and subject to the conditions set out in row 1 of this table (titled 'While in Employment') by Vinay or in case of Death by his executors, administrators, legal heirs or nominees.</p>	<p>All Vested Options can be Exercised by Vinay or in case of death by his executors, administrators, legal heirs or nominees at any time but within a maximum period of 12 (Twelve) years from the date of Vesting failing which the Vested Options not Exercised up to such date shall automatically stand cancelled.</p>

7.2 The Employee Stock Options granted may be exercised by the Option Grantee at any time within a maximum period of Twelve (12) years from the date of Vesting of the respective Stock Options or such other period as may be decided by the Nomination & Remuneration Committee from time to time.

7.1 The Nomination & Remuneration Committee shall formulate detailed procedure for Exercise of Options including, if required and deemed appropriate, the procedures for cashless exercise of Options. The same shall be notified to the Option Grantees by the Company from time to time. The Company shall endeavour to allot Shares in respect of Options Exercised at such interval (being at least once a year) as it may decide and the tentative dates of allotment of Shares against Exercise of Options will be informed to the Option Grantees in advance.

7.2 The Exercise Application shall be in such form as may be prescribed by the Company in this regard and the Options Grantee shall have to pay the Exercise Consideration and applicable perquisite tax or other similar taxes or other charges or levies as may be required and submit such other documents as may be required by the Nomination & Remuneration Committee for the purpose of Exercising the Options. The Exercise Application Form and the said documents will be made available to the Option Grantee on request. The payment of the Exercise Consideration shall be made by a crossed cheque or a demand draft drawn in favour of the Company, or in such additional mode as the Nomination & Remuneration

Committee may decide.

- 7.3 All live Employee Stock Options, if any, not exercised within the Exercise Period prescribed above shall lapse and the Option Grantee shall have no right over such lapsed or cancelled Employee Stock Options.

## **8. Shares**

- 8.1 All Equity Shares of the Company allotted consequent to Exercise of Options shall rank *pari passu* in all respects with the then existing Equity Shares of the Company.
- 8.2 The Shares issued upon Exercise of Employee Stock Options shall be freely transferable and, subject to Applicable Laws if any including but not limited Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations 2015 and Securities and Securities Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, and the Company's Insider Trading Code of Conduct, will not be subject to any lock-in period after such Exercise.
- 8.3 On becoming a shareholder, the Option Grantee will be subject to all the terms and conditions applicable to other equity shareholders of the Company as per the Articles of Association of the Company.
- 8.4 Upon the allotment of such Shares, the Option Grantee shall have the absolute legal and beneficial ownership, title, rights, and interest, free of any encumbrance, in the Shares allotted to the Option Grantee upon the Exercise of the Vested Options in accordance with the terms of this ESOP 2021 (II) and the Option Grantee shall have the right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of such Shares.
- 8.5 If at the time of Exercise of the Options, the Equity Shares of the Company are listed then, subject to the approval of the stock exchanges, the Equity Shares issued and allotted on Exercise of the Options shall be listed on BSE Limited and the National Stock Exchange of India Limited and such other recognised stock exchanges on which the Equity Shares of the Company are listed.

## **9. Other Terms and Conditions**

- 9.1 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 Employee Stock Options or the Exercise Price or both would be made in accordance with Clause 4.2 (v(II)) of ESOP 2021 (II).
- 9.2 In the event of any Re-structuring of the Company, the Nomination & Remuneration Committee shall have the authority to alter all or any of the terms relating to the Grant of Options or this ESOP-2021 (II) in general and would also have the authority to do all such acts, deeds, matters and things as it may deem fit, in its sole and absolute discretion and as

permitted under Applicable Laws and so long as it is not detrimental to the Option holders, so as to ensure that the benefits under the Grant are passed on to the Eligible Employees. In this regard the Nomination & Remuneration Committee shall inter-alia be entitled to:

- i. take appropriate actions to ensure that the Exercise Period is as prescribed herein, and that the total value of the Options remains the same after the aforesaid Re-structuring;
  - ii. if necessary, issue fresh Options/ shares of the holding/ Subsidiary Companies of the Company and/or resultant entity/ entities that may emerge due to such Re-structuring;
  - iii. if pursuant to such Re-structuring, in case any Eligible Employee resigns from the Company or his services are terminated and/or is not willing to take employment in such merged/ resultant entity for any reason whatsoever, or is not employed by the merged/ resultant entity, then all Options granted to such Eligible Employee shall vest with immediate effect, subject to receipt of requisite approvals from the concerned statutory/ regulatory Authorities or as per the original date of Vesting, as may be decided by the Nomination & Remuneration Committee. In such cases the Exercise and the Exercise Period shall be as specified whilst granting the Options.
  - iv. make such adjustments to the number of Options outstanding and/or Exercise Price as may be necessary to reflect the Re-structuring;
  - v. if necessary, substitute the Options granted with the Options issued or to be issued by the new/ resultant entity pursuant to Re-structuring on such terms as reflected in the scheme relating to such Re-structuring, duly approved by the court of competent jurisdiction/ competent authority and is not prejudicial to the terms on which the Options were hitherto Granted. Where Options are granted by the merged/ resultant entity in lieu of Options granted under ESOP-2021 (II), the period during which the Options granted under ESOP-2021 (II) are held by the Eligible Employee shall be adjusted against the minimum Vesting period in respect of options granted by the merged/ resultant entity.
- 9.3 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.
- 9.4 The Employee Stock Option shall not be pledged, hypothecated, mortgaged, or otherwise alienated in any other manner. Subject to the provisions of this ESOP-2021 (II), no person other than the Eligible Employee to whom the Options are granted shall be entitled to Exercise the Options.
- 9.5 Neither the existence of this Plan nor the fact that the Option Grantee has on any occasion been granted an Employee Stock Options shall give Option Grantee any additional right, entitlement, or expectation that he has or will in future have any additional Employee Stock

Options granted to him on any other occasion.

- 9.6 This Plan, by itself, does not constitute an express or implied promise of continued employment of the Option Grantee until the vesting of the various Employee Stock Options granted, or for any period at all, and shall not interfere with the Company's right to suspend, retrench, or discipline Option Grantee in his capacity as an Employee.
- 9.7 It is clarified that the provisions of this Clause 9 (*Other Terms and Conditions*) are without prejudice to and will not affect the express provisions set out in this ESOP 2021 (II), including without limitation the provisions which deal with vesting, accelerated vesting and Exercise of Employee Stock Options.

## **10. Deduction/Recovery of Tax & Tax Implications**

- 10.1 The liability of paying taxes if any, in the Employee Stock Option granted pursuant to this ESOP 2021 (II) and the Shares issued pursuant to Exercise of rights shall be entirely on Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 and the rules framed thereunder.
- 10.2 At the time the Employee Stock Options are Exercised, in whole or in part, or at any time thereafter as requested by the Nomination & Remuneration Committee, the Nomination & Remuneration Committee shall be entitled to withhold from payroll and any other amounts payable to the Option Grantee until such tax obligation has been satisfied by the Option Grantee. The Company shall have no obligation to deliver Shares to the Option Grantee until such tax obligations have been satisfied by the Option Grantee.
- 10.3 The Option Grantee may be required to pay certain taxes as a result of the Option Grantee's purchase or disposition of Shares on Exercise of the Employee Stock Options. In connection with the purchase or disposition of such Shares, the Option Grantee is not relying on the Company for any tax advice and shall seek independent advice in respect of the same and the Option Grantee shall be required to make due payments of all such taxes as per Applicable Law, which may arise as aforesaid.

## **11. Miscellaneous**

### **11.1 Government Regulations**

This ESOP 2021 shall be subject to all Applicable Laws including any statutory modification(s) or re-enactment(s) thereof, and approvals from governmental authorities, if any and to the extent required.

### **11.2 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 grant the Employee Stock Options or issue Shares.

- 11.3 The Employee Stock Options granted to the Option Grantee shall be governed by the terms and conditions of this ESOP 2021 (II).
- 11.4 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.
- 11.5 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.

## **12. Notices**

- 12.1 All notices of communication required to be given by the Company to the Option Grantee by virtue of this ESOP 2021 shall be in writing and shall be sent to the address of the Option Grantee as available in the records of the Company and any communication to be given by the Option Grantee to the Company in respect of ESOP 2021 shall be sent to the address mentioned below:

CarTrade Tech Limited  
12th Floor, Vishwaroop IT Park, Sector 30A,  
Vashi, Navi Mumbai 400 705, Maharashtra, India

## **13. Governing Law and Jurisdiction**

- 13.1 The terms and conditions of this ESOP 2021 (II) shall be governed by and construed in accordance with the laws of India.
- 13.2 All disputes, controversies or claims arising out of or in connection with this ESOP 2021 (II), including any dispute regarding its existence, validity, interpretation, breach or termination, the Company and the Option Grantee shall attempt to first resolve such dispute or claim through discussions between their senior executives or representatives, as may be applicable.
- 13.3 If the dispute is not resolved through such discussions within 15 (Fifteen) days after either the Company or the Option Grantee has served a written notice on the other requesting the commencement of discussions, such dispute or claim shall be finally settled by arbitration which shall be governed by the Arbitration and Conciliation Act, 1996 (as amended from time to time).
- 13.4 The seat and venue of arbitration shall be in Mumbai and the language of arbitration



proceedings shall be English. The dispute will be heard by a sole arbitrator mutually appointed by the Company and the Option Grantee. In the event, the Company and the Option Grantee are unable to appoint a sole arbitrator mutually, the dispute shall be decided by a panel of 3 (Three) arbitrators, one arbitrator to be appointed by the Option Grantee, one by the Company, and the third arbitrator shall be selected by the two arbitrators jointly. The arbitrator(s) shall give a reasoned decision or award (including in respect of costs). Any award made by the arbitrator(s) shall be final and binding on each of the parties to the dispute.

- 13.5 The Company and the Option Grantee shall co-operate in good faith to expedite (to the maximum extent practicable) the conduct of any arbitral proceedings commenced under this Plan.
- 13.6 Subject to Clause 12 (*Governing Law and Jurisdiction*) above, the courts and tribunals at Mumbai shall have the exclusive jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this Plan and the Company and the Option Grantee shall submit themselves to the jurisdiction of the courts and tribunals at Mumbai in connection with this Plan.

#### **14. Accounting Policy**

- 14.1 The Company shall follow the “Guidance Note on Accounting for Employees 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, in compliance with relevant provisions of SEBI SBEBSE Regulations.

#### **15. Certificate from Secretarial Auditors**

- 15.1 To the extent required by Applicable Law, the Board shall at each annual general meeting place before the Shareholders a certificate from the Secretarial auditors of the Company that the ESOP 2021 (II) has been implemented in accordance with SEBI SBEBSE Regulations and in accordance with the resolution of the Company in the general meeting.

#### **16. Severability**

- 16.1 In the event any one or more of the provisions contained in this ESOP 2021 (II) shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this ESOP 2021 (II), but this ESOP 2021 (II) shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and the ESOP 2021 (II) shall be carried out as nearly as possible according to its original terms and intent.

#### **17. Confidentiality**

Eligible Employees shall keep the details of the Options granted to them strictly confidential and shall not share/disclose the said details with/to any other Employee. In case of non-



adherence to the provisions of this Clause, the Nomination & Remuneration Committee will have the authority to deal with such cases in such manner as it may deem fit in its sole and absolute discretion.