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# 3I INFOTECH EMPLOYEE STOCK OPTION SCHEME 2018

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3I INFOTECH LIMITED

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## 3i Infotech Limited

### 3i Infotech Employee Stock Option Scheme 2018

This Scheme (defined hereunder) has been formulated by the Board (defined hereunder) of 3i Infotech Limited ("**Company**") and approved by it at its meeting held on June 20, 2018 subject to the authority vested in it by, and approval of, the shareholders by way of special resolution passed on July 27, 2018.

#### 1. NAME AND OBJECTIVE OF THE SCHEME

- 1.1 This Scheme shall be called the "3i Infotech Employee Stock Option Scheme 2018" ("**Scheme**") which expression shall include any alterations, amendments or modifications to it, from time to time.
- 1.2 In today's competitive world, the employees of a company are its most important resource and asset. Company fully recognizes the same and therefore wants its Employees (defined hereunder) to participate and share the fruits of growth and prosperity of the Company.
- 1.3 The objectives of the Scheme are to:
  - 1.3.1 create a sense of ownership and participation amongst the Employees;
  - 1.3.2 motivate the Employees with incentives and reward opportunities;
  - 1.3.3 drive entrepreneurship mindset of value creation for the organization;
  - 1.3.4 provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company; and
  - 1.3.5 achieve sustained growth of the Company and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company.

#### 2. DEFINITIONS AND INTERPRETATION

The terms defined in this Scheme shall for the purposes of this Scheme, have the meanings specified herein and terms not defined shall have the meanings as defined in the Securities Contracts (Regulation) Act, 1956 (as statutorily amended and modified); the Companies Act, 2013 (as statutorily amended and modified); the SEBI (SBEB) Regulations (as statutorily amended and modified) (as statutorily amended and modified) or in any statute or re-enactments hereof, as the case may be:

- 2.1 **Applicable Law** shall mean laws of India including rules, regulations and guidelines to the extent applicable to the Company and this Scheme, as amended and modified from time to time. Accordingly, any action taken under the Scheme shall be governed by and construed in accordance with the laws of India, without regard to the application of the conflict of laws' provisions under the Applicable Law;
- 2.2 **Board of Directors / Board** means the Company's Board of Directors;
- 2.3 **Business Day** means any day other than a Saturday, a Sunday or any day on which banks in Mumbai, India are permitted to be closed;

- 2.4 **Cause** includes the following: (i) convicted of an offence involving moral turpitude or that disentitles the Eligible Employee from being an Employee in accordance with the Company's policies and/or Applicable Law; or (ii) commission of fraud, misappropriation, embezzlement or breach of trust by an Employee; (iii) wilful dishonesty, gross misconduct, gross or wilful insubordination; (iv) abandonment of employment by the Employee; (v) termination of employment of the Employee by the Company for reasons relating to performance of such Employee or otherwise; and/or (vi) any other action(s) that, in view of the Nomination and Remuneration Committee is disruptive or detrimental to the functioning or the interest of the Company;
- 2.5 **Closing Date** shall have the same meaning assigned to it as in Clause 4.2;
- 2.6 **Company** means 3i Infotech Limited, a public listed company incorporated in India under the provisions of the Indian Companies Act 1956 and having its registered office at 3i Infotech Ltd. Tower #5, 3<sup>rd</sup> to 6<sup>th</sup> Floors International Infotech Park, Vashi, Navi Mumbai – 400 703, the shares of which are listed on BSE Limited and National Stock Exchange of India Limited. As the context may require or admit, any reference to the Company shall include references to its successors and its Subsidiary. It is clarified that, if the name(s) of the Company or any of its Subsidiaries is in future, the term "Company" would mean the company with such new name(s);
- 2.7 **Corporate Action** means one of the following events:
- 2.7.1 rights / bonus issue;
  - 2.7.2 reorganisation of the Shares;
  - 2.7.3 restructuring of the share capital of the Company;
  - 2.7.4 Other reorganization of the Company in which the Shares are converted into or exchanged for:
    - (a) a different class of securities of the Company, or
    - (b) any securities of any other issuer, or
    - (c) cash, or
    - (d) other property;
  - 2.7.5 Sale, lease or exchange of all or substantially whole of the assets/ undertaking of the Company to any other company or entity;
  - 2.7.6 Bankruptcy proceedings against the Company;
  - 2.7.7 Adoption by the shareholders of the Company of a scheme of liquidation, dissolution or winding up;
- 2.8 **Director** means a member of the Board of the Company;
- 2.9 **Effective Date** shall have the same meaning assigned to it as in Clause 4.1;

- 2.10 **Eligible Employee** means an Employee selected by the Nomination and Remuneration Committee, for the purpose of Granting Options under this Scheme;
- 2.11 **Employee** means:
- 2.11.1 a permanent employee of the Company who has been working in India or outside India; or
  - 2.11.2 a director of the Company, whether a whole-time director or not, but excluding an independent director; or
  - 2.11.3 an employee as defined in clause 2.11.1 and Clause 2.11.2 of a Subsidiary in India or outside India;
- but does not include:
- (a) an employee who is a promoter or a person belonging to the promoter group of the Company;
  - (b) a director who either himself or through his relative or through any body corporate directly or indirectly, holds more than ten percent of the outstanding Shares of the Company.
- 2.12 **Exercise** means submission of Exercise Letter by the Eligible Employee for allotment of Shares, in respect of the Vested Options accompanied by the Exercise Price within the Exercise Period;
- 2.13 **Exercise Date** means the date on which the Eligible Employee elects to Exercise the Options;
- 2.14 **Exercise Letter** shall mean the prescribed letter as annexed to this Scheme as Annexure A for the purpose of Exercising the Options along with a cheque / demand draft or any other mode of payment of Exercise Price for every Option that is being Exercised;
- 2.15 **Exercise Period** means the period as provided in the Letter of Grant or such other period as may be intimated by the Nomination and Remuneration Committee, from time to time, within which the Eligible Employee may elect to Exercise the Vested Options, not being later than five years from the date of vesting of Options;
- 2.16 **Exercise Price** means INR 10 (Indian Rupees Ten) payable by the Eligible Employee for the Exercise of each Option Granted under the Scheme for the allotment of one Share;
- 2.17 **Grant** means grant of Options. The terms Granted and Granting shall be construed accordingly;
- 2.18 **Grant Date** means the date as specified in the Letter of Grant by the Nomination and Remuneration Committee on which a Grant is made to an Eligible Employee under the Scheme;
- 2.19 **Letter of Grant** shall contain the terms and conditions specific to the Options Granted to the Eligible Employee. The Letter of Grant shall be subject to the provisions of the Scheme;
- 2.20 **Nomination and Remuneration Committee** means the 'Nomination and Remuneration Committee' set up by the Company under the Section 178 of the Companies Act 2013;

- 2.21 **Nominee** means: (A) an individual appointed by the Eligible Employee by submitting a letter in the form specified by the Nomination and Remuneration Committee in this regard, which may be revoked or changed at any time but before the Exercise of Options; (B) if no such nomination has been made in accordance with (A) herein or if the individual nomination is not in existence, then Nominee shall mean the spouse of the Option Holder or if the Option Holder is unmarried at the time of death or Permanent Disability, then the nearest kin of the Option Holder;
- 2.22 **Option** means the right, without any obligation, granted to the Eligible Employee to subscribe to Shares upon such terms and conditions as may be specified in the Scheme. One Option shall entitle the Eligible Employee to one Share;
- 2.23 **Option Holder** means an Eligible Employee who has been Granted the Options and has been issued a Letter of Grant and agrees to abide by the terms and conditions of this Scheme as well as the Letter of Grant;
- 2.24 **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 medical certificate from an expert identified by the Board;
- 2.25 **Person** means any natural person, firm, company, governmental authority, joint venture, partnership, association or other entity (whether or not having separate legal personality);
- 2.26 **Promoter** in reference to the Company, shall have the same meaning assigned to it under the SEBI (SBEB) Regulations;
- 2.27 **Promoter Group** in reference to the Company, shall have the same meaning assigned to it under the SEBI (SBEB) Regulations;
- 2.28 **Scheme** means the 3i Infotech Employee Stock Option Scheme 2018 as set out herein and shall include any modification and variations thereof;
- 2.29 **SEBI** means the Securities and Exchange Board of India constituted under Securities and Exchange Board of India Act, 1992;
- 2.30 **SEBI (SBEB) Regulations** means the SEBI (Share Base Employee Benefits) Regulations 2014 and shall include any statutory amendments and modifications;
- 2.31 **Share** means the equity share of the Company listed on the BSE Limited and National Stock Exchange of India Limited;
- 2.32 **Shareholder** means a person who is registered as a holder of Share/s in the register of shareholders maintained by the Company;
- 2.33 **Subsidiary** means a subsidiary company of 3i Infotech Limited, whether now or hereafter existing, within the meaning ascribed to it in the Companies Act, 2013.
- 2.34 **Vesting** means the process of fulfilment of the criteria and conditions enumerated in the Scheme and/ or Letter of Grant by an Option Holder in order to be eligible to Exercise his Options;

- 2.35 **Vesting Date** in relation to an Option, means the date on which the Option has Vested, being a date not later than five years from the date of Grant of the Option;
- 2.36 **Vesting Period** means the period from the Grant Date till the Vesting Date;
- 2.37 **Vested Option** means an Option granted, in respect of which the relevant vesting conditions have been satisfied and the Option Holder has become eligible to Exercise the Option; and
- 2.38 **Unvested Option** means an Option granted, in respect of which the relevant vesting conditions have not been satisfied and as such, the Option Holder has not become eligible to Exercise the Option.

### **3. INTERPRETATION**

In this Scheme, unless the contrary intention appears:

- 3.1 the Clause headings are for ease of reference only and shall not be relevant to interpretation;
- 3.2 the singular includes the plural and vice versa;
- 3.3 any word or expression importing the masculine, feminine or neuter genders only, shall be taken to include all three genders;
- 3.4 a reference to a Clause or a Sub-Clause, unless otherwise specified, is a reference to a Clause or Sub-Clause, as the case may be, of this Scheme; and
- 3.5 References in this Scheme to statutory provisions shall be construed as references to those provisions as modified or re-enacted from time to time (whether before or after the date of this Scheme) and to any subordinate legislation made under such provisions and shall include references to any repealed statutory provision which has been so re-enacted (whether with or without modification).

### **4. APPLICABILITY AND TERM**

- 4.1 The Scheme applies only to Eligible Employees. This Scheme shall become effective from the date of approval of the Scheme by the Shareholders ("**Effective Date**").
- 4.2 The Scheme shall continue to be in force until the expiry of five years from the Effective Date ("**Closing Date**"). Options under the Scheme can be granted till the Closing Date and all Options granted till this date shall remain live till they are Vested, lapsed, cashed out or otherwise cancelled in accordance with the provisions of the Scheme. **Provided however**, the Scheme can be terminated before the Closing Date on a date on which all the Options available for issuance under the Scheme have been issued and Exercised or have lapsed and the Nomination and Remuneration Committee does not intend to re-issue the lapsed Options or the Nomination and Remuneration Committee in its absolute discretion decides to terminate the Scheme before the Closing Date. The term Closing Date shall therefore be construed accordingly.
- 4.3 The Nomination and Remuneration Committee may, subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the Scheme.

Provided that any alteration or amendment shall not be detrimental to the interests of the Employees.

## **5. SCOPE AND ELIGIBILITY; OPTIONS/SHARES SUBJECT TO THE SCHEME**

- 5.1 Subject to adjustment in case of any Corporate Action which has the effect of alteration of the paid-up share capital, the aggregate number of Options that may be granted and thereby the issuance of Shares under the Scheme shall not exceed 15% (fifteen per cent) of the paid-up share capital of the Company (relating to the Shares) from time to time, subject to a maximum of 10,00,00,000 (Ten Crore) Shares of the Company having face value of INR 10 (Indian Rupees Ten) per share (“**Plan Pool**”), on such terms and conditions, as is approved by the Shareholders at the Annual General Meeting of the Company held on July 31, 2018.
- 5.2 The Nomination and Remuneration Committee shall determine the Grant in its absolute discretion, taking into consideration such factors but not limited to Eligible Employee’s performance appraisal, seniority, period of service, role of the Eligible Employee, the present and potential contribution to the growth of the Company. Thereafter, from time to time, the Nomination and Remuneration Committee may grant Options to one or more Eligible Employee/s.
- 5.3 If the Option expires or becomes not exercisable without having been Exercised in full, the Shares which were subject to such Options, shall become available for future Grant under the Scheme unless the Scheme stands terminated pursuant to Clause 4 of the Scheme.
- 5.4 Where the Shares are allotted to Option Holder upon Exercise under the Scheme, the Plan Pool will stand reduced to the extent of such Shares.

## **6. IMPLEMENTATION**

- 6.1 The Scheme shall be implemented as per the provisions hereunder and Applicable Law.
- 6.2 All the actions required to be effected pursuant to the Scheme will be undertaken by the Nomination and Remuneration Committee.

## **7. ADMINISTRATION**

- 7.1 The Scheme shall be administered by Nomination and Remuneration Committee. All questions of interpretation of the Scheme or any Option shall be determined by the Nomination and Remuneration Committee and such determination shall be final and binding upon all persons having an interest in the Scheme or such Option(s).
- 7.2 The Nomination and Remuneration Committee shall in accordance with this Scheme and Applicable Law determine the following:
- 7.2.1 determine the Eligible Employees to become the Option Holders;
  - 7.2.2 determine the performance parameters for Grant and/or Vesting of Options to an Eligible Employee;
  - 7.2.3 determine the Vesting of the Grant made to any Option Holder and/or any conditions subject to which such Vesting may take place;
  - 7.2.4 assess the performance of an Eligible Employee for Granting of the Options;



- 7.2.5 determine the criteria for Vesting of Options;
  - 7.2.6 determine the number of Options to be Granted, to each Eligible Employee and in the aggregate, and the times at which such Grants shall be made;
  - 7.2.7 lay down the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of Corporate Action in accordance SEBI (SBEB) Regulations;
  - 7.2.8 specify the method which the Company shall use to value its Options;
  - 7.2.9 provide for the right of an Option Holder to Exercise all the Options Vested in him at one time or at various points of time within the Exercise Period;
  - 7.2.10 lay down the procedure for cashless Exercise of Options, if any;
  - 7.2.11 provide for the Grant, Vesting and Exercise of Options in case of Option Holders who are on long leave or who have been seconded to any other company by the Company;
  - 7.2.12 such other matters in respect of which the Nomination and Remuneration Committee is required to formulate terms and conditions under Applicable Law.
- 7.3 In the event of any clarifications being required on the interpretation or application of the Scheme, the same shall be referred to the Nomination and Remuneration Committee. The decision of the Nomination and Remuneration Committee shall be final and binding on the Employees in this regard.
- 7.4 With regard to the matters specifically not provided for in this Scheme or any other documents that may be issued in connection with the Options, the Nomination and Remuneration Committee shall have an absolute discretion to decide such matters in the manner deemed fit by them in the best interests of the Employees and the Company as may be permissible under the Applicable Law, rules and regulations for the time being in force. The decision of the Nomination and Remuneration Committee, shall be final and binding on the Employees.
- 7.5 Any dispute or disagreement which shall arise under, or as a result of, or pursuant to, or in connection with this Scheme shall be referred to the Nomination and Remuneration Committee and shall be determined by it from time to time. All such determination / decision / interpretation by the Nomination and Remuneration Committee shall be final and binding on all the Employees affected thereby.

## **8. GENERAL RISKS**

Participation in this Scheme shall not be construed as any guarantee of return on Shares allotted upon Exercise of Options.

## **9. GRANT OF OPTIONS**

- 9.1 The Nomination and Remuneration Committee may make Grants to one or more Eligible Employee(s), which shall include recurring Grants to the same Eligible Employee in accordance with the terms and conditions of the Scheme.

- 9.2 The Nomination and Remuneration Committee shall determine the Vesting criteria/Period and Exercise Period of the Options granted under the Scheme.
- 9.3 Options Granted to an Eligible Employee shall be evidenced by a Letter of Grant which shall contain such details and terms and conditions as may be required by the Nomination and Remuneration Committee including the number of Options Granted, the Vesting criteria, Exercise Period and the other terms and conditions thereto.
- 9.4 In case the provisions of Applicable Law restrict/prohibit the issue of Shares at a discount to its par value, the Exercise Price shall not be less than the amount as prescribed under such law.
- 9.5 The Nomination and Remuneration Committee shall make necessary disclosures as per Regulation 16(2) of the SEBI (SBEB) Regulations to the Eligible Employees to whom Grant is being made.
- 9.6 In the event, an Eligible Employee is a nominee of an institution nominated by such institution as its representative on the Board, then such Eligible Employee shall comply with the disclosure requirement as provided under the Explanation to Regulation 4 of SEBI (SBEB) Regulation.
- 9.7 The total number of Options that may be granted to any non-executive director of the Company under the Scheme, shall not exceed 1% (one percent) in a financial year in respect of each such non-executive director and 5% (five percent) in respect of all such non-executive directors in aggregate, of the issued and paid-up equity share capital of the Company as on the date of grant of Option(s).

## **10. VESTING**

- 10.1 The Vesting criteria/period for the Options Granted to Eligible Employees shall be determined by the Nomination and Remuneration Committee in accordance with the Applicable Law and provided in the Letter of Grant.

Provided that, the Nomination and Remuneration Committee in its absolute discretion: (a) may accelerate the Vesting criteria and/or period as it deems fit; (b) shall determine the Vesting criteria/period or adjustment thereof in case the Option Holder is on long leave or has been seconded by the Company.

Provided further that, the maximum Vesting Period shall be five years.

It is hereby clarified that the Vesting criteria will be minimum one year or such time period as may be prescribed under the Applicable Law including but not limited to SEBI (SBEB) Regulations.

- 10.2 Subject to Clause 16 of the Scheme,
- 10.2.1 the Unvested Options shall vest with the Option Holder as per the Vesting criteria mentioned in the Letter of Grant given to the Eligible Employee; and

10.2.2 the Vested Options shall entitle the Option Holder to Exercise the Vested Options and apply for the Shares at the Exercise Price within the Exercise Period.

## **11. EXERCISE OF OPTIONS**

11.1 The Option Holder may exercise the Vested Options within the Exercise Period. In the event the Option Holder fails to Exercise his Vested Options within the Exercise Period, then such Vested Options shall lapse and revert to the Plan Pool. The Company and/or the Nomination and Remuneration Committee will not have any obligation towards such Option Holder with respect to such lapsed Options. No further communication in this regard shall be made to the Option Holder in this regard.

11.2 To Exercise the Options, the Option Holder must submit an Exercise Letter to the Nomination and Remuneration Committee accompanied by the Exercise Price which shall be paid either by or through, as the case may be:

11.2.1 cheque drawn on the Company; or

11.2.2 online to the Company's bank account as may be intimated from time to time; or

11.2.3 the Option Holder's authority to the Company to deduct such amount from his salary due and payable; or

11.2.4 such other mode as may be approved by the Nomination and Remuneration Committee from time to time to the extent permitted by Applicable Law; or

11.2.5 a combination of any of the abovementioned methods.

11.3 Notwithstanding the foregoing provisions of this Clause 11 and subject to Applicable Law, in case of cessation of employment, any Exercise of the Options by such Option Holder shall be in accordance with the provisions of Clause 16 of this Scheme.

11.4 Upon Exercise of Options, the Nomination and Remuneration Committee shall cause, within a reasonable period of time, to allot such number of Shares underlying the Vested Options as are Exercised, to the Option Holder, Nominee or former Employee, as the case may be.

## **12. RIGHTS AS A SHAREHOLDER**

No Employee shall have a right to receive any dividend or vote at any general meeting of the Company or in any manner enjoy the benefits of a Shareholder in respect of Options Granted or Vested in the Option Holder.

## **13. AUTHORITY TO VARY/MODIFY TERMS**

13.1 Subject to Applicable Law, the Nomination and Remuneration Committee shall, at its absolute discretion, have the right to vary / modify / amend the Scheme, in such manner and at such time or times as it may deem fit, subject however that any such modification / amendment shall not be detrimental to the interests of the Option Holders.

13.2 Such right to vary / modify / amend this Scheme as and when required will be subject as always to SEBI (SBEB) Regulations. No member of the Nomination and Remuneration Committee shall be primarily liable for any decision or action taken in good faith with respect to this Scheme.

#### **14. TRANSFERABILITY OF OPTIONS**

The Options cannot be assigned, alienated, pledged, attached, hypothecated, sold or otherwise transferred or encumbered by the Option Holder except under the circumstances provided under Clause 17.7 herein. Any purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance not permitted herein shall be void and unenforceable against the Company.

#### **15. CORPORATE ACTION**

Subject to Applicable Law, in the event of change in control of the Company or Corporate Action, a Grant made under the Scheme shall be subject to adjustment by the Nomination and Remuneration Committee at its discretion including but not limited to the number of Options or Vesting criteria or Exercise Price or cancellation of Options (whether Vested or Unvested) in lieu of such consideration as may be determined by the Nomination and Remuneration Committee in its sole discretion. The decision of the Nomination and Remuneration Committee, in this regard, shall be final and binding.

#### **16. TERMINATION OF EMPLOYMENT**

16.1 In the event of termination of employment of the Option Holder due to his death or Permanent Disability, all the Unvested Options shall Vest on the date of termination of such employment. The Option Holder or his Nominee, as the case may be, may Exercise the Vested Options in accordance with Clause 11 of the Scheme within a period as may be stipulated in the Letter of Grant. Any Options which are not Exercised within the period, as stipulated by the Nomination and Remuneration Committee, shall lapse and be cancelled and revert to the Plan Pool. The Company shall not have any further obligations towards the Option Holder or the Nominee, as the case may be, towards lapsed Options.

16.2 In the event of termination of employment of the Option Holder due to Cause, the Options granted to the Option Holder, whether Vested or Unvested, shall lapse on the termination of employment of the Option Holder, they shall be cancelled, and shall revert to the Plan Pool. The Company shall not have any further obligations towards the Option Holder in respect of such lapsed Options.

16.3 In the event of termination of employment of the Option Holder due to resignation or without Cause, all the Unvested Options shall stand cancelled with immediate effect. The Option Holder may Exercise his Vested Options in accordance with Clause 11 of the Scheme, within a period stipulated by the Nomination and Remuneration Committee in the Letter of Grant. Any Options which are not Exercised within the period, as stipulated by the Nomination and Remuneration Committee, shall lapse and be cancelled and revert to the Plan Pool. The Company shall not have any further obligations towards the Option Holder or the Nominee, as the case may be, towards lapsed Options.

#### **17. MISCELLANEOUS**

17.1 No right to a Grant:

Neither the adoption of the Scheme nor any action of the Nomination and Remuneration Committee shall be deemed to give an Eligible Employee any right to be Granted any Option to acquire Shares or to any other rights hereunder except as may be evidenced by Letter of Grant signed and counter signed by the Company and the Eligible Employee, respectively.

17.2 No employment rights conferred:

Nothing contained in the Scheme or in any Grant made hereunder shall:

17.2.1 confer upon any Option Holder any right with respect to continuation of employment or engagement with the Company; or

17.2.2 interfere in any way with the right of the Company to terminate Employment or services of any Option Holder at any time.

17.3 Tax deduction / recovery:

The Company shall have the right to deduct / recover all taxes payable, under the applicable law, either by itself or by the Option Holder, in connection with all Grants / Options / Shares under this Scheme, by way of deduction at source from salary and, in addition, to require any payments necessary to enable it to satisfy such obligations. The Option Holder will also, as a condition of the Scheme, authorize the Company or its Nominee to sell such number of Shares, as would be necessary, to discharge the obligation in the respect of such taxes and appropriate the proceeds thereof on behalf of the Option Holder.

17.4 No restriction on Corporate Action:

The existence of the Scheme and the Grants made hereunder shall not in any way affect the right or the power of the Board or the Shareholders to make or authorise any 'Corporate Action', strategic sale of substantial stake by the Shareholders including any issue of Shares, debt or other securities having any priority or preference with respect to the Shares under the Scheme or the rights thereof, whether or not such action would have an adverse effect on the Scheme or any Grant made under the Scheme. No Employee or other person shall have any claim against the Company or the new company / new entity that is formed or which takes over a part of whole of the business of the Company because of such action.

17.5 Dissolution or liquidation:

In the event of a dissolution or liquidation, the Nomination and Remuneration Committee shall inform each Option Holder, as soon as practicable / permissible under Applicable Law, of the same and communicate regarding the treatment of Options held by the Option Holder.

17.6 Confidentiality:

The Option Holder shall ensure complete confidentiality in respect of all documents, matters and discussions in relation to the Scheme, Grant, Letter of Grant or any connected matter except where such disclosure is made to a third-party professional (viz., lawyer, chartered accountant etc.) for seeking legal or financial advice. Any violation may result in cancellation of Options, Vested or Unvested.

17.7 Nominee:

A Nominee shall alone be entitled to exercise the rights of the Option Holder concerned in the event of death / Permanent Disability of the Option Holder, subject to the terms and conditions of the Scheme. It is hereby clarified that any Shares received by the Nominee in

the event of Permanent Disablement of the Option Holder, then the Nominee shall hold such Shares in trust for the Option Holder.

17.8 Insider trading:

The Option Holder shall ensure that there is no violation of Insider Trading Regulations and prevention of Fraudulent and/or Unfair Trade Practices regulations as may be notified by SEBI and/or the Stock Exchange on which the Shares are listed. The Option Holder shall keep the Company or the Board or such other Committees of the Board, fully indemnified in respect of any liability arising for violation of the above provisions.

17.9 New Employee Stock Option Plans:

Nothing contained in the Scheme shall be construed to prevent the Company from implementing another Employee Stock Option Plan, directly or through any trust settled by Company, which is deemed by the Company to be appropriate or in its best interest, provided such other action would not have any adverse impact on the Scheme or any Grant made under the Scheme. No Option Holder or other Person shall have any claim against the Company and/or Trust as a result of such action.

17.10 Notice and correspondence:

Any notice required to be given by, or any correspondence from, an Option Holder or the Nominee or the former Employee to the Company may be given at the following address:

Attention: Nomination and Remuneration Committee

Address: 3i Infotech Limited, 3i Infotech Ltd. Tower #5, 3<sup>rd</sup> to 6<sup>th</sup> Floors, International Infotech Park, Vashi, Navi Mumbai – 400 703

Any notice required to be given to the Option Holder or the Nominee or the former Employee, as the case may be, by the Company may be given at the address of the Option Holder/Nominee/former Employee, as maintained by the Company in its records. If there is any change of address for service, it shall be the sole responsibility of the addressee (Company or the Option Holder or the Nominee or the former Employee, as the case may be) to update the other party (Company or the Option Holder or the Nominee or the former Employee, as the case may be) about the change in address for service. However, if there is no change or update of address, service on either address shall remain effective and it shall be sufficient discharge of obligation of service, intimation, notice or correspondence.

17.11 Disputes

All disputes arising out of or in connection with the Scheme or the Grant shall be referred to the Nomination and Remuneration Committee for mutual resolution by the parties.

17.12 Governing law and jurisdiction

17.12.1 The terms and conditions of the Scheme shall be governed by and construed in accordance with the Applicable Law.

17.12.2 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 Scheme.

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

- (a) in any other Court of competent jurisdiction; or
- (b) concurrently in more than one jurisdiction.

17.13 No Discrimination

Nothing in this Scheme may be deemed to be discriminating amongst the Employees or the Eligible Employees on the grounds of gender, age, nationality, race, ethnicity, language or otherwise. The Scheme in terms of coverage of the Eligible Employees is in consonance with prevailing management practices and remuneration principles and is not discriminating against any section of Employees.

17.14 Accounting and Disclosure Policies

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

17.15 This Scheme will operate inter-alia, under Companies Act 2013 and SEBI (SBEB) Regulations, provisions not specifically provided herein but set out in such aforesaid laws.

ADOPTED BY THE BOARD OF DIRECTORS AS OF JUNE 29, 2018

APPROVED BY THE SHAREHOLDERS AS OF JULY 31, 2018

**ANNEXURE A  
PROFORMA - EXERCISE LETTER**

*From:*

[•]<sup>1</sup>  
[•]<sup>2</sup>, [•]<sup>3</sup>  
[•]<sup>4</sup>  
[•]<sup>5</sup>

*To:*

Nomination and Remuneration Committee  
3i Infotech Limited,  
3i Infotech Ltd. Tower #5,  
3<sup>rd</sup> to 6<sup>th</sup> Floors International Infotech Park,  
Vashi, Navi Mumbai – 400 703

**Subject: Exercise of Options Granted under the 3i Infotech Employee Stock Option Scheme 2018 (“Scheme”)**

Dear Sir

1. I was granted Options under the Scheme vide Letter of Grant dated [•]<sup>6</sup> which entitles me to equal number of the shares of the Company (“Shares”). I am desirous of Exercising some/ all of the Vested Options. Set out below are the details of the Grant, Vested Options, Exercise Price and the number of Vested Options that I am hereby Exercising.

**2. DETAILS OF OPTIONS:**

|  |                            |                                 |
|--|----------------------------|---------------------------------|
| Date of Grant  |                            |                                 |
| Total number of shares of the Company covered by the Options granted under the Letter of Grant |                            |                                 |
| Exercise price per share   | INR 10 (Indian Rupees Ten) |                                 |
| <b>Vesting of Options</b>  | <b>Date of Vesting</b>     | <b>Number of Options vested</b> |
|  |                            |                                 |
| Number of Options Exercised till Date  |                            |                                 |

**3. DETAILS OF EXERCISE OF OPTIONS:**

|  |   |
|--|---|
| Number Options being Exercised as of this Date | Total amount payable on Exercise (Number of Options being exercised * Exercise price per share) |
|--|---|

<sup>1</sup> Please insert name of the employee

<sup>2</sup> Please insert designation

<sup>3</sup> Please insert name of the Company

<sup>4</sup> Please insert residential address/ office address, as may be required

<sup>5</sup> Please insert PAN of the employee

<sup>6</sup> Please insert date of the letter of grant



|  |  |
|--|--|
|  |  |
|  |  |

**4. DETAILS OF PAYMENT OF EXERCISE PRICE**

- [ ] : Enclosed cheque of INR \_\_\_\_\_<sup>7</sup> dated \_\_\_\_\_<sup>8</sup> made payable to “3i Infotech Limited<sup>9</sup>”
- [ ] : Online transfer of INR \_\_\_\_\_<sup>10</sup> on \_\_\_\_\_<sup>11</sup> to the designated account of “3i Infotech Limited<sup>12</sup>”
- [ ] : Deduct INR \_\_\_\_\_<sup>13</sup> from my salary receivable from 3i Infotech Limited
- [ ] : Combination of the above mentioned-methods:
  - (a)
  - (b)
  - (c)
- [ ] : [•]<sup>14</sup>

5. Upon receipt of the Exercise Price, request you to kindly allot the Shares underlying the Vested Options being Exercised herein. My demat account details are as under:

[•]<sup>15</sup>

**6. ACKNOWLEDGEMENT AND SIGNATURE**

I hereby acknowledge that:

- (a) I have understood, signed and agreed with the terms and conditions of the Letter of Grant and the Scheme under which the Options detailed above were issued, and understand the tax consequences of an Exercise.
- (b) Issuance of Shares on Exercise of Options is subject to Applicable Law and compliances, and allotment of Shares thereof by the Company shall be upon due compliance of such Applicable Law.
- (c) The Company may have withholding tax obligation arising from the Exercise of the Options, which will be appropriated from my monthly salary enabling the Company to meet the said obligation. In the event, that the salary is insufficient to cover the withholding taxes, I may be asked to deposit the amount of withholding tax with the Company as may be notified to me.
- (d) I am solely responsible for my individual tax filings in relation to the Granting, Vesting or Exercise of the Options Granted to me.

<sup>7</sup> Please insert amount

<sup>8</sup> Please insert date

<sup>9</sup> Please confirm the payee

<sup>10</sup> Please insert the amount

<sup>11</sup> Please insert the date

<sup>12</sup> Please confirm the payee

<sup>13</sup> Please insert the amount

<sup>14</sup> Please include such other manner, as the Nomination and Remuneration Committee has intimated to the Option Holder under Clause 11 of the Scheme

<sup>15</sup> Please insert the demat account details

- (e) Upon allotment of Shares, I shall strictly adhere to the provisions of the Insider Trading Policies of the Company and co-operate with the Company in the matters concerning the said provisions as may be required.

Thanking you,  
Yours Sincerely,

\_\_\_\_\_ <sup>16</sup>

Date:

*To be completed by the Nomination and Remuneration Committee:*

Received by: \_\_\_\_\_

\_\_\_\_\_   
Date received: \_\_\_\_\_

\_\_\_\_\_  
<sup>16</sup> Please insert name of the employee