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Employees' Stock Option Plan 2023

Vertoz Advertising Limited

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1. Name, Objective and Term of the Plan

- 1.1. This Employee Stock Option Plan shall be called 'Vertoz Advertising Limited Employee Stock Option Plan 2023' ("ESOP 2023"/ "Plan").
- 1.2. The objectives of the Plan are to reward the Employees for their association with the Company, their performance, as well as to attract, retain and reward Employees to contribute to the growth and profitability of the Company. The Company views Employee Stock Options as an instrument that would enable the Employees to get a share in the value they create for the Company in the years to come.
- 1.3. The Plan is established with effect from the date on which the shareholders of the Company have approved the Plan, i.e. 29th September 2023 and it shall continue to be in force until (i) its termination by the Company as per provisions of Applicable Laws, or (ii) the date on which all the Options available for issuance under the Plan have been issued and exercised, whichever is earlier.

2. Definitions and Interpretation

2.1. Definitions

- i. **"Applicable Law"** means every law relating to Options, employee stock options by whatever name called, including and without limitation to the Companies Act, 2013 and the Rules framed thereunder, Securities and Exchange Board of India Act 1992, Securities and Exchange Board of India (Share Based Employee Benefit & Sweat Equity) Regulations, 2021 (SBEB & SE Regulations) and includes any statutory modifications or re-enactments thereof and all relevant tax, securities, exchange control or corporate laws of India or of any relevant jurisdiction or of any Recognized Stock Exchange on which the Shares are listed or quoted.
- ii. **"Board"** means the Board of Directors of the Company.
- iii. **"Cause"** means any of the following acts or omissions by an Employee in addition to any provisions prescribed in the offer or terms of employment amounting to misconduct or breach of terms of employment as determined by the Board after giving the Employee an opportunity of being heard:
 - (i) Gross misconduct (generally this includes any fundamental breach of contract or conduct which brings the Company/the Board or the Chairman into disrepute/disgrace);
 - (ii) Material breach of safety rules;
 - (iii) Conviction by any court of law or any other adjudicating authority;
 - (iv) Theft (whether before or after the date of employment contract);
 - (v) Fraud (whether before or after the date of employment contract);
 - (vi) Being under the influence of alcohol or drugs or similar substances, during the work hours or working periods;
 - (vii) Violation of material Terms of Employment or flagrant/blatant failure to follow Company policies, procedures and regulations;
 - (viii) Willful and continued failure to substantially perform duties with the Company (other than such failure resulting from being disabled), within reasonable period of time after a written demand/notice for substantial performance is delivered to Employee by the Board, which

- demand specially identifies the manner in which the Board believes that the Employee has not substantially performed such duties;
- (ix) Willful engaging in conduct which is demonstrably and materially injurious to the Company or any of its subsidiaries/associates, monetarily or otherwise;
 - (x) Engaging (whether before or after the date hereof) in egregious/grave misconduct involving serious moral turpitude to the extent that, in the reasonable judgment of the Board, Employee credibility and reputation no longer conform to the standard of the Company executives/Employees;
 - (xi) Willful acts that undermine the Company's reputation or competitiveness after a written demand/notice is delivered to Employee by the Board, which demand specially identifies the manner in which the Board believes that Employee has acted such as to undermine the Company's reputation or competitiveness;
 - (xii) Any particulars provided by Employee or any of the representations or warranties being made are untrue.
- iv. **“Committee”** means the Nomination and Remuneration Committee constituted by the Board from time to time, to administer and supervise the Plan and other employee benefit plan/schemes, if any, comprising of such members of the Board as provided under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time and having such powers as specified under the SEBI SBEB & SE Regulations read with powers specified in this Plan.
 - v. **“Companies Act”** means the Companies Act, 2013 read with Rules issued thereunder from time to time and includes any statutory modifications or reenactments thereof.
 - vi. **“Company”** means “Vertoz Advertising Limited”, a Company registered in India under the provisions of the Companies Act, 1956 and subsisting under the Companies Act, 2013, having CIN: L74120MH2012PLC226823 and having its registered office at 602, Avior, Nirmal Galaxy L.B.S. Marg, Opp. Johnson & Johnson, Mulund- 400080.
 - vii. **“Company Policies/Terms of Employment”** means the Company's Policies for Employees and the Terms of Employment as contained in the employment letter and the company handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other employees and customers.
 - viii. **“Director”** means a Member of the Board of the Company.
 - ix. **“Group Companies”** shall include the promoter group companies, *i.e., Paynx technologies Pvt Ltd and Qualispace Web services private limited*, which are getting merged into the Company.
 - x. **“Eligibility Criteria”** means the criteria as may be determined from time to time by the Committee for granting the Options to the Employees.
 - xi. **“Eligible 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 whole time 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 company, in India or outside India, of the company; or
- (iv) A consultant who is exclusively working for the Company in India or outside India.

but does not include—

- i. An employee who is a Promoter or belongs to the Promoter Group; and
 - ii. A director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company.
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- xii. **“Employee Stock Option”** means an 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. **“Equity Shares”** means fully paid-up Equity Shares of the Company of face value of Rs. 10/- (Rupees Ten Only) each.
 - xiv. **“ESOP 2023”** means the **‘Vertoz Advertising Limited Employee Stock Option Plan 2023’** under which the Company is authorized to grant Options to the Employees.
 - xv. **“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 ESOP 2023, in accordance with the procedure laid down by the Company for Exercise of Options.
 - 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 2023.
 - xvii. **“Exercise Price”** means the price payable by an Employee in order to exercise the Options granted to him in pursuance of the Plan.
 - xviii. **“Grant”** means issue of Options to the Employees under the Plan.
Explanation: For accounting purposes, the Grant Date will be determined in accordance with applicable accounting standards.
 - xix. **“Grant Letter”** means the formal communication in writing as regards Grant made by the Company to the Employee containing specific details, terms and conditions of the Options.
 - xx. **“Independent Director”** means a director within the meaning of the Companies Act read with the Listing Regulations.
 - xxi. **“Market Price”** means the latest available closing price on the Stock Exchange on which the Shares of the Company are listed, immediately prior to the Relevant Date.

Explanation- If Shares are listed on more than one Stock Exchange, then the closing price of the Shares on the Stock Exchange having higher trading volume shall be considered as the Market Price.

- xxii. **“Misconduct”** means any of the following acts or omissions by an Employee in addition to any provisions prescribed in the offer or Terms of Employment amounting to violation or breach of Terms of Employment as determined by the Committee after giving the Employee an opportunity of being heard:
- a. committing of any act warranting summary termination under law; or
 - b. conduct which in the reasonable opinion of the Committee amounts to a serious breach by an option Grantee of the obligation of trust and confidence to his employer; or
 - c. a finding by the Committee that an Employee has committed any material or consistent breach of any of the terms or conditions of Employee service agreement including any willful neglect of or refusal to carry out any of his duties or to comply with any instruction given to him by the Committee; or
 - d. being convicted of any criminal offence; or
 - e. being disqualified from holding office in the Company or any other company under any legislation or being disqualified or disbarred from membership of, or being subject to any serious disciplinary action by, any regulatory body within the industry, which undermines the confidence of the Committee in the individual’s continued employment; or
 - f. **“Nomination & Remuneration Committee”** means the Committee constituted by the Board from time to time, as per the requirements of Applicable Laws, to administer and supervise the Plan and other employee benefit Schemes, with a constitution of three or more non-executive Directors of which not less than one half shall be Independent Directors.
 - g. having acted or attempted to act in any way which in the opinion of the Committee has brought or could bring the Company or any other Group member into disrepute or discredit;
 - h. breach or violation of any Company Policies/ Terms of Employment; and
 - i. Any other reason not included above but defined as misconduct in the Company’s rules or Employee handbook and / or employment agreement and/or appointment letter.
- xxiii. **“Option”** means Employee Stock Options within the meaning of the Plan.
- xxiv. **“Option Grantee”** means an Employee who has been granted an Option and has accepted such Grant as required under the Plan and shall deem to include nominee/ legal heir of an Option Grantee in case of his/her Death or Permanent Incapacity to the extent provisions of the Plan are applicable to such nominee/ legal heir.
- xxv. **“Permanent Incapacity”** means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Committee based on a certificate of a medical expert identified by the Company.
- xxvi. **“Plan”** means and refers to ESOP 2023 defined herein.
- xxvii. **“Promoter”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended.

- xxviii. **“Promoter Group”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended.
- xxix. **“Recognized Stock Exchange”** means the National Stock Exchange of India (NSE), BSE Limited (BSE) or any other recognized stock exchanges in India on which the Company’s Shares are listed or may proposed to be listed on a future date..
- xxx. **“Relevant Date”** means any of the following dates as the context requires:
- i. in the case of Grant, the date of the meeting of the Committee on which the Grant is made; or
 - ii. in the case of Exercise, the date on which the notice of Exercise is given to the Company by the Option Grantee
- xxxi. **“Retirement”** means retirement as per the rules of the Company.
- xxxii. **“SEBI SBEB & SE Regulations”** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and reenacted from time to time, and includes any clarifications or circulars issued thereunder.
- xxxiii. **“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.
- xxxiv. **“Shares”** means Equity Shares of the Company of face value of Rs. 10 (Ten) each fully paid-up including the equity shares arising out of the Exercise of Options granted under Plan.
- xxxv. **“Subsidiary Company”** means any present or future subsidiary of the Company, as per the provisions of the Companies Act.
- xxxvi. **“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.
- xxxvii. **“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.
- xxxviii. **“Vesting”** means earning by the Option Grantee, of the right to Exercise the Options granted to him in pursuance of the Plan.
- 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 Option granted to the Employee, in pursuance of the Plan takes place.

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; and
- (v) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.

Words and expressions used and not defined herein but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Companies Act, 2013, and any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislation.

3. Authority

- 3.1. The Shareholders of the Company by way of special resolution dated 29th September 2023 approved the Plan authorizing the Committee to grant not exceeding 10,00,000 (Ten lakh) Options to the eligible Employees in one or more tranches, from time to time, which in aggregate exercisable into not more than 10,00,000 (Ten lakh) Equity Shares of face value of Rs. 10/- each fully paid up, with each such Option conferring a right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided by the Committee in accordance with the provisions of this Plan, SEBI SBEB & SE Regulations and in due compliance with other Applicable Laws under the Plan.
- 3.2. The maximum number of Options under the Plan that may be granted to any Employee in any year and in aggregate shall not exceed 10,00,000 (Ten Lakhs) Options at the time of Grant of Option under the Plan.
- 3.3. If the number of Options that may be offered to any specific Employee shall be equal to or more than 1% (one percent) of the issued Equity Share capital (excluding outstanding warrants & conversion) of the Company at the time of Grant of Options, then the Company shall take prior approval of members of the Company by way of a special resolution.
- 3.4. If an Option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options pool as mentioned in Sub-clause 3.1 and shall become available for future Grants, subject to compliance with all Applicable Laws.
- 3.5. Where Shares are issued consequent upon exercise of an Option under the Plan, the maximum number of Shares that can be issued under the Plan as referred to in Clause 3.1 above shall stand reduced to the extent of such Shares issued.
- 3.6. In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of divisions, change in capital structure and others, if any additional equity shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the options granted earlier, the ceiling on the number of options mentioned in the resolution above, shall be deemed to be increased to the extent of such additional equity shares issued.

- 3.7. In case the Equity Shares of the Company are either sub-divided or consolidated, then the number of Shares to be allotted and the exercise price payable by the Option Grantees under the ESOP 2023 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said grantees.
- 3.8. Prior approval of Shareholders by passing Special Resolution shall be obtained in case Options shall be granted to eligible Employee of the Company, the **Group Companies including Subsidiary Company(ies), in or outside India.**

4. Administration

- 4.1. The ESOP 2023 shall be administered by the Nomination & Remuneration Committee. All questions of interpretation of the ESOP 2023 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 2023.
- 4.2. The Committee shall in accordance with this Plan and Applicable Laws determine the following:
- (i) The Eligibility Criteria for grant of Employee Stock Options to the Employees;
 - (ii) The quantum of Employee Stock Options to be granted under the ESOP 2023 per Employee subject to ceiling specified in Sub-clause 3.2;
 - (iii) Terms and conditions in respect of grant to, vest in and exercise of Options by the Employees which may be different for different class/ classes of Employees falling in the same tranche of grant of Options issued under ESOP 2023;
 - (iv) The procedure for making a fair and reasonable adjustment in case of corporate actions such as merger, sale of division, rights issues, bonus issues and others similar events. In this regard following shall be taken into consideration by the Committee:
 - i. the number and the price of Option shall be adjusted in a manner such that total value of the Option remains the same after the corporate action; and
 - ii. the Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Option Grantees.
 - (v) The procedure and terms for the Grant, Vest and Exercise of Employee Stock Options in case of employees who are on long leave;
 - (vi) The conditions under which Option vested in Employees may lapse in case of termination of employment for Misconduct;
 - (vii) The procedure for buy-back of Options granted under the Plan in case it is 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 Options that the Company may buy-back in a financial year;
 - (viii) Formulate suitable policies and procedures to ensure that there is no violation of Applicable Laws, in relation to this Plan by the Company and the Employees.
 - (ix) The procedure for funding for Exercise of Options, as permitted under the Applicable Laws; and
 - (x) Approve forms, writings and/or agreements for use in pursuance of the Plan.

- 4.3. The Nomination & Remuneration Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the Company and its Employees, as applicable.

5. Eligibility and Applicability

- 5.1. Only Employees within the meaning of this Plan are eligible for being granted Stock Options under ESOP 2023. The specific Employees to whom the Stock Options would be granted and their Eligibility Criteria would be determined by the Nomination & Remuneration Committee.
- 5.2. The Plan shall be applicable to the Company and any successor company thereof, the **Group Companies including Subsidiary Company(ies), in or outside India** may be granted to the Eligible Employees and Directors who are employee of the Company, the **Group Companies including Subsidiary Company(ies), in or outside India** as determined by the Nomination & Remuneration Committee at its own discretion.
Provided that in case of any Grant of Option to the Eligible Employees of the Company, **Group Companies including Subsidiary Company(ies), both present and future**, prior approval of the Shareholders shall be obtained as per provisions of the Applicable Laws.
- 5.3. Appraisal process for determining the eligibility of the Employees will be based on designation, criticality, high potential, tenure of service, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

6. Vesting Schedule and Vesting Conditions

- 6.1. Options granted under ESOP 2023 would vest not earlier than one year and not later than five years from the date of grant of such Options.
Provided that in case where Options are granted by the Company under the Plan in lieu of Options held by a person under a similar Plan in another company (Transferor Company) which has merged or amalgamated with the Company, the period during which the Options granted by the Transferor Company were held by him shall be adjusted against the minimum Vesting Period required under this sub-clause.
- 6.2. Vesting of Options would be subject to continued employment with the Company and provided the employee has not served any notice of resignation [Refer Clause 7.2 (ii)]. The Options would vest on completion of Vesting Period. The Nomination & Remuneration Committee may also specify certain performance parameters, detailed terms and conditions relating to such performance-based vesting, the proportion in which options granted would vest and/or lock in period subject to which the Options would vest.
- 6.3. The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document(s) given to the Option Grantee at the time of grant of Options.

Provided further that in the event of death or permanent incapacity of the employee to whom Options are granted, the minimum vesting period of one year shall not be applicable and in such instances, the options shall vest to the legal representatives of the employee on the date of death or permanent incapacity.

6.4. In this regard, a company shall frame an appropriate policy with respect to the death or permanent incapacity of an employee, subject to compliance with applicable labour laws.”

7. Exercise

7.1. Exercise Price:

- (i) Exercise Price shall be the closing market price on the day prior to the date on which the Nomination and Remuneration Committee approves the Grant.
- (ii) Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company, or by RTGS/ NEFT to the designated Bank Account of the Company, or in such other manner and subject to such procedures as the Nomination & Remuneration Committee may decide.

7.2. Exercise Period:

a) While in employment:

- i. The exercise period would commence from the date of vesting and will expire on completion of 5 (five) years from the date of respective vesting, or such other shorter period as may be decided by the Committee from time to time.
- ii. The Options shall be deemed to have been exercised when an Employee makes an application in writing to the Company or by any other means as decided by the Nomination & Remuneration Committee, for the issuance of Equity Shares against the Options vested in him, subject to Applicable Laws.

b) Exercise Period in case of separations:

Options can be exercised as per provisions outlined below:

S. No.	Separations	Vested Options	Unvested Options
1	Resignation/ termination (other than due to Cause)	All Vested Options as on date of submission of resignation may be exercised by the Option Grantee by the last working day with the Company.	All Unvested Options on the date of submission of resignation shall stand cancelled with effect from that date.

2	Termination due to Cause	All Vested Options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination.	All Unvested Options on the date of such termination shall stand cancelled with effect from the termination date.
3	Retirement/ Superannuation	All Vested Options can be exercised by the Option Grantee within 24 months from date of retirement.	All Unvested Options on the date of such Retirement/ Superannuation can be exercised within 24 months from date of Retirement/Superannuation.
4	Death	All Vested Options may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than 24 months from the date of Death.	All the Unvested Options as on the date of death shall vest immediately and may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than 24 months from the date of Death.
5	Permanent Incapacity	All Vested Options may be exercised by the Option Grantee or, if the Option Grantee is himself, unable to exercise due to such incapacity, the nominee or legal heir, immediately after, but in no event later than 24 months from the date of such incapacity.	All the Unvested Options as on the date of such Permanent Incapacity shall vest immediately and can be exercised by the Option Grantee or, if the Option Grantee is himself unable to exercise due to such incapacity, the nominee or legal heir immediately after, but in no event later than 24 months from the date of such incapacity.
6	Abandonment of employment	All the Vested Options shall stand cancelled with effect from such date from the date of abandonment.	All Unvested Options shall stand cancelled with effect from the date of abandonment

7	Termination due to reasons apart from those mentioned above	The Nomination & Remuneration Committee shall decide whether the Vested Options as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All Unvested Options on the date of separation shall stand cancelled with effect from that date, unless otherwise required by Applicable Laws.
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7.3. The Options shall be deemed to have been exercised when an Employee makes an application in writing to the Company or by any other means as decided by the Committee, for the issue of Shares against the Options vested in him, subject to payment of Exercise Price and compliance of other requisite conditions of Exercise.

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

8. Lock-in

The Shares issued upon Exercise of Options shall be freely transferable and shall not be subject to any lock-in period restriction after such Exercise.

Provided however that the Shares allotted on such Exercise cannot be sold for such days from the date of allotment in terms of Code of Conduct to Regulate, Monitor & Report Trading by Designated Persons read with Securities Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015 (SEBI Insider Trading Regulations), as amended or such other period as may be stipulated from time to time in terms of said Code of Conduct.

9. Exit-route in case of delisting

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

10. Other Terms and Conditions

10.1. The Employee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a Shareholder in respect of Employee Stock Options granted, till Shares underlying such Employee Stock Options are allotted by the Company on exercise of such Employee Stock Option.

10.2. Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a Shareholder of the Company (for example, bonus shares, rights shares, dividend, voting, etc.) in respect of any 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.

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

10.4. If the Company issues bonus shares or rights shares, the Option Grantee shall not be eligible for the bonus or rights shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with clause 4.2 (iv) of ESOP 2023.

10.5. Employee Stock Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case provisions in table under Sub-clause 7.2 (b) would apply.

10.6. 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, in which provisions in table under Sub-clause 7.2 (b) would apply.

11. Deduction/Recovery of Tax

11.1. The liability of paying taxes, if any, in respect of Employee Stock Options granted pursuant to this Plan and the Shares issued pursuant to exercise thereof shall be entirely on Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder and/or Income Tax Laws of respective countries as applicable to eligible Employees of Company working abroad, if any.

11.2. The Company shall have the right to deduct from the Employee's salary or recover any tax that is required to be deducted or recovered under the Applicable Laws. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.

11.3. The Company shall have no obligation to deliver Shares until the Company's tax deduction obligations, if any, have been satisfied by the Option Grantee in full.

12. Authority to vary terms

12.1. Subject to such approvals as may be required, the Nomination & Remuneration Committee may at any time amend, alter, vary the terms of the Plan.

12.2. The Committee may also re-price the Options which are not exercised, whether or not they have vested, if Plan is rendered unattractive due to fall in the price of the Shares.

13. Miscellaneous

13.1. Government Regulations

The ESOP 2023 shall be subject to all Applicable Laws to the extent applicable. The Grant of Options and allotment of Shares to the Employees under this ESOP 2023 shall be subject to the Company requiring the Employees to comply with all Applicable Laws.

13.2. 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 allotment and issuance of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of such inability.

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

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

13.5. The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to exercise an Employee Stock Option in whole or in part.

13.6. Participation in ESOP 2023 shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the market price of the Shares and the risks associated with the investments are that of the Employee alone.

14. Accounting and Disclosures

14.1. The Company shall follow the laws/regulations applicable to accounting and disclosure related to Employee Stock Options, including but not limited to 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 or any other authority from time to time, including the disclosure requirements prescribed therein.

14.2. Where the existing Guidance Note or Accounting Standard do not prescribe accounting treatment or disclosure requirements for ESOP 2023 then the Company shall comply with the relevant Accounting Standard as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time.

14.3. The Company shall make disclosures to the prospective Option Grantees containing statement of risks, information about the Company and salient features of the ESOP 2023 in a format as prescribed under SEBI SBEB Regulations 2014.

14.4. The Company shall disclose details of Grant, Vest, Exercise and lapse of the Employee Stock Options in the Directors' Report or in an annexure thereof as prescribed under SEBI SBEB Regulations, 2014 or any other Applicable Laws as in force.

15. Certificate from Auditors

The Board shall at each Annual General Meeting place before the Shareholders a certificate from the Secretarial Auditors of the Company that the Plan has been implemented in accordance with the SEBI SBEB & SE Regulations, 2014 and in accordance with the resolution of the Company in the general meeting.

16. Governing Laws

16.1. The terms and conditions of the ESOP 2023 shall be governed by and construed in accordance with the Applicable Laws including the Foreign Exchange Laws mentioned below.

16.2. Foreign Exchange Laws

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

17. Notices

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

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

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

Name of the person: Ms. Zill Shah

Designation: Company Secretary & Compliance Officer

Address: 602, Avior, Nirmal Galaxy L.B.S. Marg, Opp. Johnson & Johnson, Mulund (W) Mumbai-400080

Email: compliance@vertoz.com

18. Jurisdiction

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

- 18.2. Nothing in this Clause shall however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP 2023:
- i. in any other court of competent jurisdiction; or
 - ii. concurrently in more than one jurisdiction.

19. Listing of shares

For listing of shares pursuant to the Plan, the company shall obtain the in-principle approval of the Recognized Stock Exchanges where it proposes to list the said shares, prior to the grant of ESOPs. Further, subject to the approval of the Stock Exchange(s), the Shares issued and allotted on Exercise of the Options shall be listed on the Recognized Stock Exchange(s) on which the Shares of the Company are listed or proposed to be additionally listed.

20. Severability

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

21. Confidentiality

- 21.1. An Option Grantee must keep the details of the ESOP 2023 and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, co-employees or with any employee and/ or associate of the Company or that of its affiliates. In case Option Grantee is found in breach of this Clause on confidentiality, the Company has undisputed right to terminate any Agreement and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this Clause on confidentiality shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this Clause, the Board shall have the authority to deal with such cases as it may deem fit.
- 21.2. On acceptance of the grant of Option offered by the Company, it shall be deemed that as if the Option Grantee has authorized the Company to disclose information relating to the Option Grantee during the process of implementation of the Plan or while availing any consulting or advisory services thereof or any other incidental services to its officers, professional advisors, agents and consultants on a need-to-know basis.

-----End of Plan-----