

Protean eGov Technologies Limited Employee Stock Option Plan- 2017

(formerly known as NSDL e-Governance Infrastructure Limited Employee Stock Option Plan 2017)

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1. NAME, OBJECTIVES AND TERM OF THE PLAN

- 1.1** This employee stock option plan shall be called the Protean eGov Technologies Limited Employee Stock Option Plan- 2017 (formerly known as NSDL e-Governance Infrastructure Limited Employee Stock Option Plan 2017) (“**ESOP 2017**” / “**Plan**”).
- 1.2** The primary objective of ESOP 2017 is to reward the key Employees for their association, dedication, and contribution to the goals of the Company. The Company intends to use this Plan to attract, retain and motivate key talents working with the Company, its Subsidiary, or its Holding Company, present or future as the case may be, by way of rewarding their high performance and motivate them to contribute to the overall corporate growth and profitability. The Company views Employee Stock Options as long-term incentive tools that would enable the Employees not only to become co-owners, but also to create wealth out of such ownership in future.
- 1.3** ESOP 2017 is established with effect from December 4, 2017 on which the shareholders of the Company have approved the Plan by way of a special resolution 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 of the Employee Stock Options available for issuance under the ESOP 2017 have been issued and exercised, whichever is earlier.
- 1.4** Subject to provisions of Clause 15 of this Plan, the Board or the Nomination and Remuneration Committee as authorized may at any time alter, amend, suspend or terminate the ESOP 2017.

2. DEFINITIONS AND INTERPRETATIONS

2.1 Definitions

- (a) “**Applicable Laws**” includes laws, statute, rule, regulation, guideline, circular or notification relating to employee stock options, including, without limitation to, the Companies Act, 2013, read with the Companies (Share Capital and Debenture Rules), 2014, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and includes any statutory modifications or re-enactments thereof, and all relevant tax, securities, exchange control corporate laws of India including any enactment, re- enactment, amendment, modification or alteration thereof.
- (b) “**Board**” means the Board of Directors of the Company, including any duly constituted committee as the context requires.
- (c) “**Companies Act**” means the Companies Act, 2013, rules made thereunder, and includes any statutory modifications or re-enactments thereof.
- (d) “**Company**” means Protean eGov Technologies Limited with its registered office at Times Tower, 1st Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra-400013 India and shall deem to

include Company's Subsidiary or Holding Company for the purposes of this Plan, as the context requires.

- (e) **"Director"** means a member of the Board of the Company.
- (f) **"Eligibility Criteria"** means the criteria as may be determined from time to time by the Nomination and Remuneration Committee for determining the eligibility of Employees for Grant of Employee Stock Options under the Plan.
- (g) **"Employee"** means:
 - (i) Until the Listing of the Company:
 - (A) a permanent employee of the Company working in or out of India; or
 - (B) a Director of the Company, whether a whole- time or not, but excluding an independent director within the meaning of the Companies Act and under Securities and Exchange Board of India (Listing Obligations and Disclosure Regulations), 2015 as and when it is applicable to the Company, or
 - (C) an employee defined in Sub-clauses (A) and (B) hereof of one or more Subsidiaries, present or future, or of the Holding Company of the Company,but does not include:
 - (1) an employee who is a Promoter or a person belonging to the Promoter Group;
 - (2) a Director who either by himself /herself or through his/her relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding Equity Shares of the Company.
 - (ii) Post the Listing of the Company:
 - (A) an employee as designated by the Company, who is exclusively working in India or outside India; or
 - (B) 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
 - (C) an employee as defined in sub-clauses (A) or (B) above, 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—

- (1) an employee who is a Promoter or belongs to the Promoter Group;
 - (2) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than ten percent of the outstanding equity Shares of the Company.
- (h) **“Employee Stock Option”** means a right granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date Share(s) underlying such right at a pre- determined price.
- (i) **“ESOP 2017”** means this ‘Protean eGov Technologies Limited’ Employee Stock Option Plan 2017’ under which the Company is authorized to Grant Employee Stock Options to the Employees.
- (j) **“Exercise”** of an Option means expression of intention by an Employee to subscribe/ purchase the Shares underlying the Options vested in him, in pursuance of the ESOP 2017, in accordance with the procedure laid down by the Company for Exercise of such Options.
- (k) **“Exercise Period”** means such time period commencing after Vesting within which the Employee should Exercise the Options vested in him in pursuance of the ESOP 2017, as more particularly specified at Sub- clause 8.2 of the Plan.
- (l) **“Exercise Price”** means the price determined by the Nomination and Remuneration Committee as per provisions of this Plan and specified in the Grant Letter, being payable by an Employee in order to Exercise the Options vested in him in pursuance of the ESOP 2017.
- (m) **“Fair Market Value”** shall mean (i) for Grants prior to IPO, value as determined by an independent valuer appointed by the Board; and (ii) for Grants post IPO, the latest available closing price, prior to the date of meeting of the Board, in which Options are granted, on the Stock Exchange on which the Shares are listed. In case Shares are listed on more than one Stock Exchange, then the Stock Exchange where there is highest trading volume on the said date shall be considered.
- (n) **“Grant”** means issue of Options to the Employees under the ESOP 2017.
- (o) **“Grant Letter”** means the formal communication as regards Grant made by the Company to the Employee containing specific details of the Grant.

- (p) **“Group Company”** shall have the same meaning assigned to it under the SEBI SBEB & SE Regulations.
- (q) **“Holding Company”** means any present or future holding Company of the Company, as per the provisions of the Companies Act.
- (r) **“IPO”** means an initial public offering of the Shares by the Company on any recognized Stock Exchange(s)
- (s) **“Listing”** means listing of the Shares on any recognized Stock Exchange and deems to include the initial public offer (IPO) of Shares.
- (t) **“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 Board after giving the Employee an opportunity of being heard:
 - (i) dishonest statements or acts of an Employee, with respect to the Company;
 - (ii) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud committed by the Employee;
 - (iii) gross negligence, misconduct or insubordination of the Employee in connection with the performance of his duties and obligations towards the Company;
 - (iv) breach by the Employee of any terms of his employment agreement or the Company’s policies or other documents or directions of Company;
 - (v) participating or abetting a strike in contravention of any law for the time being in force;
 - (vi) misconduct as provided under the labour laws after following the principles of natural justice.
- (u) **“Nomination and Remuneration Committee”** means the Nomination and Remuneration Committee of the Board, as constituted or reconstituted from time to time under section 178 or any other relevant provisions of the Companies Act 2013 or under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with a view to administer and supervise the employee stock option plans of the Company including this Plan.
- (v) **“Option”** means an Employee Stock Option within the meaning of this Plan.
- (w) **“Option Grantee”** means an Employee who has been granted an Option and has accepted such Grant as required under the Plan and has a right but not an obligation to Exercise the Vested Options and shall deem to include nominee/

legal heir of an Option Grantee in case of his/her death to the extent provisions of the Plan are applicable to such nominee/legal heir.

- (x) **“Permanent Disability”** means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined in this regard based on a certificate of a medical expert identified by the Company.
- (y) **“Plan”** means this ‘Protean eGov Technologies Limited – Employee Stock Option Plan 2017’ under which the Company is authorized to Grant Employee Stock Options to the Employees.
- (z) **“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.
- (aa) **“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.
- (bb) **“Retirement”** means retirement as per the rules of the Company.
- (cc) **“SEBI SBEB & SE Regulations”** shall mean the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended.
- (dd) **“Shares”** means equity shares of the Company including the equity shares arising out of the Exercise of Options granted under this Plan.
- (ee) **“Stock Exchange”** means the National Stock Exchange of India Limited, BSE Limited or any other recognized Stock Exchange in India on which the Company’s Shares are listed or to be listed in future.
- (ff) **“Subsidiary”** means any present or future subsidiary company of the Company, as per the provisions of the Companies Act.
- (gg) **“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.
- (hh) **“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.
- (ii) **“Vesting”** shall mean the process by which the Option Grantee, becomes entitled to receive the benefit of the Grant made, but does not have an obligation to Exercise the Options granted to him in pursuance of the ESOP 2017.

- (jj) “**Vesting Condition**” means the condition prescribed, if any, subject to satisfaction of which the Options granted would vest in an Option Grantee.
- (kk) “**Vesting Period**” means the period during which the Vesting of the Option granted to the Employee, in pursuance of the ESOP 2017 takes place.

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 for 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; and
- (f) the terms defined above shall for the purposes of this Plan have the meanings herein specified and terms not defined above shall have the meanings as defined in the SEBI SBEB & SE Regulations, Companies Act or Applicable Laws, as the context requires. Reference to any Act, Rules, Statute or Notification shall include any statutory modifications, substitution or re-enactment thereof.

3. AUTHORITY AND CEILING

- 3.1** The shareholders of the Company have *vide* their resolution December 4, 2017, approved the ESOP 2017 as amended by a special resolution passed on 3rd December, 2020 and September 23, 2021, authorizing the Nomination and Remuneration Committee to Grant 26,00,000 (Twenty Six lakhs) Employee Stock Options to the eligible employees in one or more tranches, from time to time, which in aggregate exercisable into not more than 26,00,000 (Twenty Six lakhs) 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 of ESOP 2017.
- 3.2** The maximum number of Options that may be granted to each Employee shall vary depending upon the designation and the appraisal / assessment process, however shall not exceed 1% of the issued paid-up capital, in number, per eligible Employee. However, the Nomination and Remuneration Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to each Employee within this ceiling.
- 3.3** If an Employee Stock Option expires, lapses, gets cancelled, surrendered or becomes un-exercisable due to any reason, it shall be brought back to the Options reserve

specified above and shall become available for future Grants, subject to compliance with the provisions of the Applicable Laws.

- 3.4** Where Shares are issued consequent upon Exercise of an Employee Stock Option under the ESOP 2017, the maximum number of Shares that can be issued under ESOP 2017 as referred to in Clause 3.2 above shall stand reduced to the extent of such Shares issued.
- 3.5** In case of a Share split or consolidation, if the revised face value of the Share is less or more than the current face value as prevailing on the date of coming into force of this Plan, the maximum number of Shares available for being issued under ESOP 2017 as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (number of Shares X face value per Share) prior to such Share split or consolidation remains unchanged after such Share split or consolidation. Thus, for example, if the prevailing face value of each Share is Rs. 10 per Share and the revised face value after the Share split is Rs. 5 per Share, the total number of Shares available under ESOP 2017 would be (Shares reserved at Sub-Clause 3.1 x 2) Shares of Rs. 5 each. Similarly, in case of bonus issue, etc. the available number of Shares under ESOP 2017 shall be revised to restore the value.
- 3.6** Prior approval of shareholders by way of special resolution in the general meeting shall be obtained in case the Grant of Options to any identified Employee is equal to or exceeding 1% (one percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option.

4. ADMINISTRATION

- 4.1** The ESOP 2017 shall be administered by the Nomination and Remuneration Committee.

All questions of interpretation of the EOSP 2017 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 ESOP 2017.

- 4.2** The Nomination and Remuneration Committee shall, in accordance with this ESOP 2017 and Applicable Laws, determine the following:
- (a) The Eligibility Criteria for Grant of Options to the Employees;
 - (b) The quantum of Options to be granted under the ESOP 2017 per Employee, subject to the ceiling as specified in Sub-clause 3.2;
 - (c) The procedure and terms for the Grant, Vesting and Exercise of Employee Stock Option in case of Employees who are on long leave;
 - (d) The specified time period within which the Employee shall Exercise the Vested Options and the manner in which such Options would lapse on failure to Exercise them within the Exercise Period;

- (e) The right of an Employee to Exercise all the Options vested in him at one time or at various points of time within the Exercise Period;
- (f) The procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the Nomination and Remuneration Committee:
 - (i) the number and the price of Options shall be adjusted in a manner such that total value of the Options remains the same after the corporate action.
 - (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.
- (g) The conditions under which Options vested in Employees may lapse in case of termination of employment for Misconduct;
- (h) The procedure for cashless Exercise of Options, in accordance with Applicable Laws;
- (i) The procedure for funding the Exercise of Options;
- (j) The procedure for buy-back of specified securities issued under SEBI SBEB & SE 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; and
- (k) Approve forms, writings and/or agreements for use in pursuance of the ESOP 2017.

4.3 In connection with Listing or anytime thereafter, the Board or the Nomination and Remuneration Committee as authorized shall also frame suitable policies and systems to ensure that there is no violation of the

- (a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- (b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, by the Company and the Employees, as applicable.

5. ELIGIBILITY AND APPLICABILITY

5.1 Only Employees are eligible for being granted Employee Stock Options under ESOP 2017. The specific Employees to whom the Options would be granted and their

Eligibility Criteria would be determined by the Nomination and Remuneration Committee at its sole discretion.

- 5.2** The Plan shall be applicable to the Company and any successor company thereof, also the Subsidiary, or Holding Company to the extent any of their Employees/ directors have been covered under the Plan and also to the each Option Grantee. Provided that once the Company is listed, the Plan shall be extended to the associate company as defined under the SBEB & SE Regulations.

Provided that Grant to the Employees of any subsidiary, associate or holding company, if any, shall require prior approval of the shareholders of the Company.

- 5.3** In the event of any inconsistency between ESOP 2017 and the SEBI SBEB & SE Regulations, the SEBI SBEB & SE Regulations shall prevail.

6. GRANT OF OPTIONS AND ACCEPTANCE OF GRANT

- 6.1** Grants contemplated under the Plan shall be made annually on such day and month as decided by the Nomination and Remuneration Committee at its discretion.
- 6.2** Each Grant of Option under the ESOP 2017 shall be made in writing by the Company to the eligible Employees by way of Grant Letter containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Laws.
- 6.3** Any eligible Employee who wishes to accept the Grant made under this Plan must deliver to the Company a duly signed acceptance of the Grant on or before the 60th day from the date of the Grant as specified in the Grant Letter.
- 6.4** On duly receipt by the Company of the signed acceptance, the eligible Employee will become an Option Grantee. On failure to deliver such acceptance before the specified date, shall result in rejection of the Grant and lapse of Options unless the Nomination and Remuneration Committee determines otherwise.

7. VESTING SCHEDULE/ CONDITIONS

- 7.1** Employee Stock Options granted under ESOP 2017 shall vest not earlier than **1 (One) year** and not later than maximum Vesting Period of **4 (Four) years** from the date of Grant. However, in case of death or Permanent Disability, the minimum Vesting Period of 1 (one) year shall not apply after the Listing of the Company.

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 may be adjusted against the minimum Vesting Period required under this Sub-clause.

- 7.2** Unless the Nomination and Remuneration Committee requires a different Vesting schedule, subject to compliance with sub-clause 7.1 and Applicable Laws, on any other

occasion of Grant, the following Vesting schedule shall apply to all Grants made under this Plan:

Dates of Vesting	Percentage of Options to vest
On 1st anniversary from the date of Grant	<u>25% of Options granted</u>
On 2nd anniversary from the date of Grant	<u>25% of Options granted</u>
On 3rd anniversary from the date of Grant	<u>25% of Options granted</u>
On 4th anniversary from the date of Grant	<u>25% of Options granted</u>

7.3 Vesting of Options would be subject to continued employment with the Company, including with the Subsidiaries or Holding Company or the associate company, as the case may be, in accordance with the Applicable Laws, and thus the Options would vest essentially on passage of time, unless otherwise provided under this Plan. In addition to this, the Nomination and Remuneration Committee may also specify certain performance criteria subject to satisfaction of which the Options would vest, in accordance with Applicable Law.

7.4 The specific Vesting schedule and Vesting Conditions subject to which Vesting would take place would be outlined in the Grant Letter.

7.5 Vesting of Options in case of Employees on long leave

The period of leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Nomination and Remuneration Committee.

7.6 Power to accelerate Vesting in certain cases

- (a) The Board shall have the power to accelerate Vesting of all Unvested Options within the meaning of this ESOP 2017.
- (b) The Options remaining unvested as on date of meeting of the Board considering the proposal for such acceleration, may at the discretion of the Board be deemed to vest with effect from that date or from such other date as the Board may determine.

Provided that acceleration of Vesting in the manner aforesaid shall be approved keeping in view the life of such Unvested Options from the date of Grant thereof in due compliance with statutory minimum Vesting Period of 1 year if applicable in terms of the Applicable Laws.

8. EXERCISE

8.1 Exercise Price

- (a) The Exercise Price shall be such price as determined by the Board being not less than the **face value** of an Share of the Company as on date of Grant of

Options. Provided that the Exercise Price shall be in compliance with the accounting standards specified under the SEBI SBEB & SE Regulations, including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time.

- (b) 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 from time to time.

8.2 Exercise Period

- (a) *While in employment/ service*

Exercise Period in respect of an Option shall be up to **5 (Five) years**¹ from the date of Vesting of such Options.

- (b) *Exercise Period in case of separation from employment/ service*

Subject to Exercise Period as determined by the Nomination and Remuneration Committee in Sub-clause 9 below, the Vested Options can be exercised in case of separation from employment or service of the Option Grantee as under:

S. No.	Separations	Vested Options	Unvested Options
1	Resignation / Termination (other than due to Misconduct)	The Vested Options as on date of submission of resignation/ date of termination shall be exercisable by the Option Grantee on or before the last date of employment.	All the Unvested Options on the effective date of resignation / date of termination shall stand cancelled with effect from that date.
2	Termination due to Misconduct	All the Vested Options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination.	All the Unvested Options on the date of such termination shall stand cancelled with effect from the termination date.
3	Retirement / early Retirement	The Vested Options as on date of Retirement can be exercised by the Option	Prior to Listing: All the Unvested Options as on date of Retirement shall stand cancelled as on

¹ Effective for grant made after September 23, 2021.

S. No.	Separations	Vested Options	Unvested Options
	approved by the Company	Grantee on or before the last date of employment.	<p>the date of such Retirement unless otherwise determined by the Nomination and Remuneration Committee.</p> <p>After the Listing:</p> <p>The Options granted which have not vested, will not expire, and continue to vest in accordance with respective Vesting schedules as per Company's policies.</p>
4	Death	The Vested Options may be exercised by the Option Grantee's nominee or legal heirs immediately after, but in no event later than six months from the date of death of the Option Grantee.	<p>Prior to Listing:</p> <p>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 in the manner prescribed for the Vested Options.</p> <p>After the Listing</p> <p>All the Options granted as on date of death of Option Grantee shall be deemed to have been vested immediately and accordingly, such Options shall be exercisable by the Option Grantee's nominee or legal heir as per provisions prescribed for Vested Options. It is hereby clarified that the cliff period of 1 year as regards Vesting will not</p>

S. No.	Separations	Vested Options	Unvested Options
			<p>apply in case of death of the Option Grantee.</p> <p>Further, the Company shall formulate appropriate policy in accordance with Applicable Laws as regards the Options granted in case of death or Permanent Disability.</p>
5	Permanent Disability	The Vested Options may be exercised by the Option Grantee immediately after, but in no event later than six months from the date of incurring such incapacity.	<p>Prior to Listing</p> <p>All the Unvested Options as on the date of incurring Permanent Disability shall vest immediately and may be exercised by the Option Grantee in the manner prescribed for the Vested Options.</p> <p>After the Listing</p> <p>All the Options granted to the Option Grantee shall be deemed to have been vested immediately from the date of Permanent Disability and accordingly, such Options shall be Exercisable by the Option Grantee. It is hereby clarified that the cliff period of 1 year as regards Vesting will not apply in case of Permanent Disability of Option Grantee.</p> <p>Further, the Company shall formulate</p>

S. No.	Separations	Vested Options	Unvested Options
			appropriate policy in accordance with Applicable Laws as regards the Options granted in case of death or Permanent Disability.
6	Transfer or deputation from/ to Company, subsidiary, or Holding Company or associate company	All the Vested Options shall be exercisable as if the employment/service is continuing unless otherwise decided by the Nomination and Remuneration Committee and such decision shall be final.	All the Unvested Options shall continue to vest as per original Vesting schedule unless otherwise decided by the Nomination and Remuneration Committee and such decision shall be final.
7	Other reasons apart from those mentioned above	The Nomination and Remuneration Committee at its sole discretion shall decide the treatment of Vested Options and such decision shall be final and binding	The Nomination and Remuneration Committee at its sole discretion shall decide the treatment of the Unvested Options and such decision shall be final & binding.

8.3 The Options shall be deemed to have been exercised when an Option Grantee makes an application in writing to the Company or by any other means as decided by the Nomination and Remuneration Committee, for the issuance of Shares against the Options vested in him/her, subject to payment of Exercise Price and compliance of other requisite conditions of Exercise including compliance of requirements of the internal employee securities trading policy of the Company, if any.

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

9. SPECIAL PROVISION FOR EXERCISE IN CASE OF LISTING

9.1 Notwithstanding anything contained elsewhere in the Plan, in case the Company proposes Listing, all the Vested Options held by an Option Grantee (including nominee or legal heir of a deceased Option Grantee but excluding employees resigned / terminated, as the case may be) who ceases to be in employment/ service of the Company, Subsidiary or its Holding Company (or of its associate company in case of transfer as per provisions of Sub-clause 8.2(b)) by that date, can be exercised only during the period notified by the Board in this behalf.

- 9.2** For effecting this, the Company shall, after the Board has adopted a resolution approving the Listing and prior to filing of the draft red herring prospectus with the Securities and Exchange Board of India, issue a notice to all such Option Grantees holding Vested Options at their registered address available in the records of the Company informing them of this special provision for Exercise of Vested Options. In case of failure to Exercise within the notified period, such Options shall immediately lapse and such Option Grantee shall have no recourse over such lapsed Options.
- 9.3** Accordingly, for the period between the date of issue of notice intimating the period as aforesaid and the completion of such Listing (i.e. IPO), in case an Option Grantee ceases to be in employment/ service of the Company (including by reason of death or Retirement) Subsidiary or its Holding Company (or of its associate company in case of transfer as per provisions of Sub-clause 8.2(b)) such Options shall immediately lapse and such Option Grantee shall have no recourse over such lapsed Options.

10. CASH SETTLEMENT OF OPTIONS

- 10.1** The Nomination and Remuneration Committee at its discretion, without any obligation, shall have the right to offer on behalf of the Company, cash settlement to the Option Grantee(s) against any number of Vested Options, any time as determined by the Nomination and Remuneration Committee, in accordance with Applicable Laws.
- 10.2** The Company in this regard can fund or permit the empanelled stock brokers to make suitable arrangements to fund the Option Grantee for payment of Exercise Price, the amount necessary to meet his/her tax obligations and other related expenses pursuant to Exercise of Options granted under the Plan and such amount shall be adjusted against the sale proceeds of some or all the Shares of such Option Grantee.

10.3

11. 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 issue except as required under:

- (a) securities trading policy of the Company, if any; and
- (b) The Applicable Laws including that under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, code of conduct framed, if any, by the Company after Listing under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

12. RESTRICTION ON TRANSFER OF OPTIONS

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

- 12.2** Employee Stock Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case provisions of Sub-clause 8.2(b) would apply.
- 12.3** 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 case provisions of Sub-clause 8.2(b) would apply.

13. OTHER TERMS AND CONDITIONS

13.1 Listing of Shares

In case of Listing, the Nomination and Remuneration Committee is authorized to do such acts, deeds and things including but not limited to amendment of this Plan to make the Plan compliant of any Applicable Laws prevailing at that time.

- 13.2** -The Employee shall not have a right to receive any dividend or to vote or in any manner enjoy the benefits of a Shareholder in respect of Employee Stock Options granted, till the time Shares are allotted to them upon Exercise of such Employee Stock Options.
- 13.3** 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 thereupon, becomes a registered holder of the Shares of the Company.

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 Sub-clause 4.2(f) of ESOP 2017.

14. DEDUCTION OF TAX

- 14.1** 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 working abroad, if any.
- 14.2** The Company shall have the right to deduct from the Option Grantee'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.
- 14.3** 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.

15. AUTHORITY TO VARY TERMS

- 15.1** The Nomination and Remuneration Committee of the Board may, if it deems necessary, vary the terms of ESOP 2017, subject to the Applicable Laws and approval of the shareholders of the Company in a general meeting in such manner that such variation is not detrimental to the interest of the Employees.
- 15.2** Subject to Clause 15.1, the Company may also reprice the Options which are not exercised, whether or not they have vested, if ESOP 2017 is rendered unattractive due to fall in the price of the Shares in the stock market, upon Listing.
- 15.3** Post the Listing, the Board or the Nomination and Remuneration Committee may revise any of the terms and conditions of this Plan to meet any regulatory requirement without seeking shareholders' approval.

16. MISCELLANEOUS

16.1 Government Regulations

This ESOP 2017 shall be subject to all Applicable Laws, and approvals from governmental authorities.

16.2 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.

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

- 16.4** 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).

- 16.5** 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.

- 16.6** Participation in ESOP 2017 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 Option Grantee alone.

17. CERTIFICATE FROM AUDITORS

The Board of Directors shall at each annual general meeting place before the shareholders a certificate from the auditors of the Company that the scheme(s) has been implemented in accordance with the prescribed regulations and in accordance with the resolution of the Company in the general meeting.

18. ACCOUNTING AND DISCLOSURES

The Company shall follow the laws/regulations applicable to accounting related to Employee Stock Options, including but not limited to the IND AS/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 appropriate authority, from time to time, including the disclosure requirements prescribed therein in accordance with the Applicable Laws.

19. GOVERNING LAWS AND JURISDICTION

- 19.1** The terms and conditions of the ESOP 2017 shall be governed by and construed in accordance with the Applicable Laws of India including the foreign exchange laws.
- 19.2** The High Court at Mumbai and Courts subordinate to it shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP 2017.
- 19.3** Nothing in this Clause shall however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP 2017:
- (a) in any other court of competent jurisdiction; or
 - (b) concurrently in more than one jurisdiction.

20. NOTICES

- 20.1** All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOP 2017 shall be in writing and shall be sent to the address of the Option Grantee available in the records of the Company; or delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; or emailing the communication(s) to the Option Grantee at the official email address provided, if any, during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.
- 20.2** Any communication to be given by an Option Grantee to the Company in respect of ESOP 2017 shall be sent at the address mentioned below or e-mailed at:

Head- Human Resources

Protean eGov Technologies Limited

Times Tower, 1st Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra-400013 India.

Email: <<.....@>>

21. 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.

22. CONFIDENTIALITY

22.1 An Option Grantee must keep the details of the ESOP 2017 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 confidentiality Clause, 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 confidentiality Clause shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this Clause, the Nomination and Remuneration Committee shall have the authority to deal with such cases as it may deem fit.

22.2 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-----