

Stalwart People Services India Ltd
Stalwart People Services Employee Stock Option Scheme, 2025
("ESOP 2025"/ "Scheme")

Registered Office: D.NO 34 Thiyagaraya Gramani Street, T-Nagar, Chennai, Tamil Nadu, India, 600017



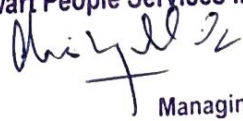
For Stalwart People Services India Ltd.,

Managing Director

Table of Contents

1.	NAME, OBJECTIVES AND TERM OF THE SCHEME	ERROR! BOOKMARK NOT DEFINED.
2.	DEFINITIONS AND INTERPRETATIONS.....	3
3.	AUTHORITY AND CEILING.....	9
4.	ADMINISTRATION.....	10
5.	ELIGIBILITY AND APPLICABILITY	12
6.	GRANT AND ACCEPTANCE OF GRANT.....	12
7.	VESTING SCHEDULE AND VESTING CONDITIONS	13
8.	EXERCISE.....	15
9.	LIQUIDITY EVENTS	18
10.	DISCRETIONARY CASH SETTLEMENT OF VESTED OPTIONS	20
11.	LOCK IN	21
12.	OTHER TERMS AND CONDITIONS	22
13.	DEDUCTION OF TAX	22
14.	AUTHORITY TO VARY TERMS.....	22
15.	MISCELLANEOUS.....	23
16.	ACCOUNTING AND DISCLOSURES	24
17.	CERTIFICATE FROM SECRETARIAL AUDITORS	24
18.	GOVERNING LAWS AND JURISDICTION	24
19.	NOTICES.....	25
20.	SEVERABILITY.....	25
21.	CONFIDENTIALITY.....	26

For Stalwart People Services India Ltd.,



Managing Director

1. Name, Objectives and Term of the Scheme

1.1 This employee stock option Scheme shall be called as 'Stalwart People Services Employee Stock Option Scheme 2025' ("ESOP 2025" or "Scheme").

1.2 The primary objectives of the Scheme are to:

- i. incentivize the key employees for their association with the Company;
- ii. attract and retain the key talents of the Company, by way of rewarding their high performance and motivating them to contribute to the overall corporate growth and profitability of the Company as the case may be; and
- iii. enable the employees not only to become co-owners, but also to create wealth out of such ownership in future.

1.3 The Scheme is established with effect from 17th December 2025 on which the shareholders of the Company have approved it and shall continue to be in force until (i) its termination by the Board as per provisions of applicable laws, or (ii) the date on which all of the options available for issuance under the Scheme have been issued and exercised, whichever is earlier.

2. Definitions and Interpretations

In this Scheme, unless the context clearly indicates a contrary intention, the following words or expressions shall have the meaning assigned herein:

2.1 Definitions

- i. "Applicable Laws" means every law relating to employee stock options, to the extent applicable, including and without limitation to the Companies Act, all relevant regulations of the Securities and Exchange Board of India particularly in connection with or after Listing, including Securities and Exchange Board of India Act 1992, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB Regulations"), each as amended and enacted from time to time read with all circulars and notifications issued thereunder and all the relevant tax, securities, foreign exchange control or corporate laws or amendments thereof including any circular, notification issued thereunder by regulatory authorities of India or of any relevant jurisdiction or of any Stock Exchange on which the shares may be listed or quoted.
- ii. "Articles" means Articles of Association of the Company as amended from time to time.

- iii. **"Associate Company"** shall have the same meaning as defined under section 2(6) of the Companies Act.
- iv. **"Board"** means the Board of Directors of the Company.
- v. **"Closing Date"** means the last date on which the grant of options by the Company to an eligible employee can be accepted. In case the last date is a non-working day, then the closing date shall be on the next working day.
- vi. **"Committee"** means the Nomination and Remuneration Committee as constituted by the Board for administration and superintendence of the ESOP 2025 until listing and thereafter, it shall be designated as Compensation Committee having such members of the Board as provided under Regulation 19 of the LODR Regulations.
- vii. **"Companies Act"** means the Companies Act, 2013 read with the rules made thereunder, and includes any statutory modifications or re-enactments thereof.
- viii. **"Company"** means Stalwart People Services India Limited, a company registered in India under the provisions of the Companies Act, 1956 having CIN: U74920TN2003PLC158097 and having its registered office at D. No 34 THIYAGARAYA GRAMANI STREET, T-NAGAR, Chennai, Tamil Nadu, India, 600017.
- ix. **"Company Policies/ Terms of Employment"** mean 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.
- x. **"Current Shareholder"** means a person whether a natural individual or a corporate entity, who holds shares at the relevant point of time.
- xi. **"Director"** means a member of the Board of the Company.
- xii. **"Eligibility Criteria"** means the criteria as may be determined from time to time by the Committee for granting the options to the employees.
- xiii. **"Employee"** means
before Listing, the term "Employee" subject to the requirements of Applicable Laws, to the extent applicable, means –
- a. a permanent employee of the Company who has been working in India or outside India;
or
b. a Director of the Company, whether a whole time Director or not;

c. an employee as defined in clause (a) or (b) of a Subsidiary, in India or outside India, or of a Holding Company of the Company

but excludes:

- (i) an employee who is a Promoter or a person belonging to the Promoter Group;
- (ii) a Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% (Ten per cent) of the issued equity shares of the company; and
- (iii) An Independent Director.

Post Listing, the term "Employee" subject to the requirements of applicable laws, to the extent applicable, means –

- 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;
- c. an employee as defined in sub clause (a) or (b), of a Group Company, including Subsidiary Company or its Associate Company, in India or outside India, or of a Holding Company of the Company.

but does not include

- (i) an employee who is a Promoter or a person belonging to the Promoter Group; or
- (ii) a Director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding shares of the Company; or
- (iii) an Independent Director.

xiv. **"Employee Stock Option"** means an option given to the employees, the benefit or right, but not an obligation, to purchase or to subscribe at a future date, shares of the Company at a pre-determined price in accordance with ESOP 2025.

xv. **"ESOP 2025" or "Scheme"** means the **Stalwart People Services Employee Stock Option Scheme, 2025** under which the Company is authorized to grant options to the employees.

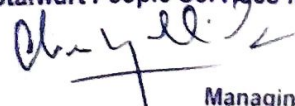
xvi. **"Exercise"** of an option means expression of an intention by an option grantee to the Company to subscribe/ purchase the shares underlying the options vested in him, in pursuance of the ESOP 2025, in accordance with the procedure laid down by the Company for exercise of such vested options.

xvii. **"Exercise Period"** means such period commencing after vesting within which the employee should exercise the vested options.



- xviii. **"Exercise Price"** means the price payable by an option grantee in order to exercise the vested options.
- xix. **"Fair Market Value"** means the value of a share of the Company as determined by an independent valuer, as required by applicable laws for the time being in force and appointed by the Company from time to time.
- xx. **"Grant"** means the process by which the Company issues options to the employees under ESOP 2025.
- xxi. **"Grant Date"** means the date on which the Committee approves the grant or the date as mentioned in the grant letter or any such other date which may be determined by the Committee as the grant date.
- xxii. **"Grant Letter"** shall mean a written letter issued by the Company to an option grantee, governing the terms and conditions of grant, vesting and exercise of the options.
- xxiii. **"Group" or "Group Company"** means two or more companies which, directly or indirectly, are in position to-
- a. Exercise twenty-six percent, or more of the voting rights in the other company; or
 - b. Appoint more than fifty percent of the members of the board of directors in the other company; or
 - c. Control the management or affairs of the other company.
- xxiv. **"Holding Company"** shall have the same meaning as defined under Section 2(46) of the Companies Act.
- xxv. **"Independent Director"** means a Director within the meaning of Section 149(6) of the Companies Act.
- Post Listing, the term independent Director shall have the same meaning as defined under the LODR Regulations.
- xxvi. **"Liquidity Event"** means any event or transaction as approved by the Board as a liquidity event for the purposes of this Scheme from time to time, which more particularly includes the following events:
- a. Strategic Sale;
 - b. Offer for purchase by an investor;
 - c. Listing; and
 - d. any other event, which the Board may designate as a liquidity event for the purpose of the Scheme.
- xxvii. **"Listing"** means the listing of the Company's shares on any recognized Stock Exchange as per the applicable laws.

- xxviii. **“Long Leave”** means paid or unpaid period of leave in which a person does not report to their job but is still employed with the company. Period of long leave shall be as per the company’s leave policy.
- xxix. **“Market Price”** means the latest available closing price on the recognized Stock Exchange on which the shares of the Company are listed on the date immediately prior to the Relevant Date.
- Explanation:** In the case of shares listed on more than one recognized Stock Exchange, then the Stock Exchange where the highest trading volume on the said date shall be considered.
- xxx. **“Merchant Banker”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, who is registered under Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992).
- xxxi. **“Misconduct”** means any of the following acts or omissions by an employee in addition to any provisions prescribed in the Company policies/ terms of employment amounting to violation or breach as determined by the Board after giving the employee an opportunity of being heard:
- a. dishonest statements or acts of an employee, with respect to the Company; or
 - b. any misdemeanor involving moral turpitude, deceit, dishonesty, or fraud committed by the employee; or
 - c. gross negligence, misconduct, or insubordination of the employee in connection with the performance of his duties and obligations towards the Company; or
 - d. participating or abetting a strike in contravention of any law for the time being in force; or
 - e. misconduct as provided under the labour laws after following the principles of natural justice.
 - f. Misconduct will include solicitation of other employees (including approaching current employees for employment outside the Company) within six months of the separation from the Company.
- xxxii. **“Options”** means employee stock options as defined under the ESOP 2025.
- xxxiii. **“Option Grantee”** means an employee who has been granted an option in pursuance of the ESOP 2025 and has accepted such Grant as per provisions of the Scheme and shall deem to include nominee/ legal heir of an option grantee in case of his/her death to the extent the provisions of the Scheme are applicable to such nominee/ legal heir.
- xxxiv. **“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 Board based on a certificate of



a medical expert identified by the Board.

xxxv. **"Promoter"** shall have the same meaning as defined under Section 2(69) of the Companies Act.

Post listing, the term "Promoter" defined hereinabove shall have meaning as defined in the ICDR Regulations.

xxxvi. **"Promoter Group"** means (a) an immediate relative of the Promoter (i.e. spouse of that person, or any parent, brother, sister or child of the person or of the spouse); (b) persons whose Shareholding is aggregated for the purpose of disclosing 'shareholding of the promoter group' in the offer document or prospectus issued or to be issued by the Company.

Post listing, the term "Promoter Group" shall have the same meaning assigned to it under the ICDR Regulations.

xxxvii. **"Relevant Date"** means any of the following dates as the context require:

- a. in the case of grant, the grant date; or
- b. in the case of exercise, the date on which the notice of exercise is given to the Company by the option grantee.

xxxviii. **"Retirement"** means retirement or superannuation as per the rules of the Company.

xxxix. **"Secretarial Auditor"** means a company secretary in practice appointed by the 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 LODR Regulations.

xl. **"Shares"** means equity shares of the Company of face value of **Rs. 5 (Rupees Five Only)** each fully paid-up.

xli. **"Stock Exchange"** means 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.

xlii. **"Strategic Sale"** means sale of shares held by the current shareholders in one or more transactions, to any individual(s), entity(ies) or group(s) other than the Promoter or Promoter Group of more than 50% (fifty percentages) of the voting power in the Company and involving change of control over the affairs of the Company or in the constitution of the Board.

Provided that sale of Shares by the current shareholder(s) among themselves, to any of their immediate relatives being spouse, son, daughter and parent, or to any company over which such selling current shareholder(s) have control, shall not qualify as Strategic Sale.

- xl.iii. "Subsidiary Company" means any present or future subsidiary company of the Company as defined in Section 2(87) of the Companies Act.
- xl.iv. "Unvested Option" means an option in respect of which the relevant vesting conditions have not been satisfied and as such, the option grantee has not become eligible to exercise the option.
- xl.v. "Vested Option" means an option in respect of which the relevant vesting conditions have been satisfied and the option grantee has become eligible to exercise the option.
- xl.vi. "Vesting" means earning by the option grantee, of the right to exercise the options granted to him in pursuance of the ESOP 2025.
- xl.vii. "Vesting Condition" means the condition prescribed if any subject to satisfaction of which the options granted would vest in an option grantee.
- xl.viii. "Vesting Period" means the period during which the vesting of the option granted to the option grantee, in pursuance of the ESOP 2025, takes place.

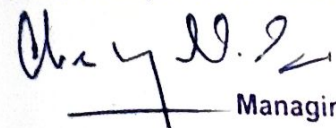
2.2 Interpretation

In this Scheme, 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; and
- e) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.
- f) the terms defined in ESOP 2025 shall have the meanings herein specified and terms not defined in ESOP 2025 shall have the meanings as defined in the Applicable Laws as the context requires. Reference to any act, rules, regulations, statute or notification shall include any amendments, statutory modifications, substitution or re-enactment thereof.

3. Authority and Ceiling

- 3.1 The shareholders of the Company by way of special resolution dated 17th December 2025 approved the Scheme, authorizing the Committee to grant not exceeding **3,52,036 (Three Lakhs Fifty Two Thousand and Thirty Six Only)** options to the eligible employees in one or more tranches, from time to time, which in aggregate shall be exercisable into not more than **3,52,036 (Three Lakhs Fifty Two Thousand and Thirty Six Only)** shares, 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 under the Scheme.



- 3.2 The maximum number of options under the Scheme that may be granted to each employee per grant and in aggregate (taking into account all grants) vary depending upon the designation and the appraisal/ assessment process, however, shall not exceed **3,52,036 (Three Lakhs Fifty Two Thousand and Thirty Six Only)** options at the time of grant.
- 3.3 The maximum quantum of benefits contemplated under the Scheme are in terms of the maximum number of options that may be granted to an eligible employee.
- 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 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 Scheme, the maximum number of shares available for being issued under ESOP 2025 as specified in paragraph 3.1 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.
- 3.6 Where shares are issued consequent upon exercise of an option under the Scheme, the maximum number of shares that can be issued under the Scheme as referred to in sub-clause 3.1 above shall stand reduced to the extent of such shares issued.
- 3.7 Prior approval of shareholders by way of special resolution shall be obtained in case the grant of options to any identified employee, during any one year, is equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.
- 3.8 Post the listing, Company shall not make any fresh grant which involves allotment or transfer of shares to its employees under the Scheme unless the Scheme is in conformity with the SBEB Regulations and ratified by its shareholders.

4. Administration

- 4.1 The Scheme shall be administered by the Committee. All questions of interpretation of the Scheme or any options granted thereunder shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Scheme or in any options issued thereunder. Neither the Company nor the Committee shall be liable for any action or determination made in good faith with respect to ESOP 2025 or any options granted thereunder.



4.2 The administration of ESOP 2025 shall include, but not be limited to determination of the following as per provisions of the Scheme and applicable laws:

- a) the eligibility criteria for grant of options to the employees upon recommendation of the management of the Company;
- b) the quantum of options to be granted under the Scheme per employee and in aggregate, subject to the ceiling as specified in Sub-clause 3.1 and 3.2;
- c) the terms and conditions in respect of grant, vesting and exercise of options by the employees which may be different for different employees or classes thereof falling in the same tranche of grant of options under the Scheme;
- d) the exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
- e) the right of an option grantee to exercise all the vested options at one time or at various points of time within the exercise period;
- f) the specified time period within which the employee shall exercise the vested options in the event of termination or resignation and modify Sub-clause 8.2(c) as needed, based on business requirements, while adhering to the maximum Exercise Period approved by the shareholders;
- g) 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 Committee:
 - i. the number and price of options shall be adjusted in a manner such that total value of the options remains the same after the corporate action; and
 - ii. the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option grantee.
- h) the procedure and terms for the grant, vesting and exercise of options in case of employees who are on long leave;
- i) the conditions under which options shall vest and be exercised in case of suspension of employment for alleged misconduct;
- j) determine the treatment of the options held by an eligible employee in case of suspension/ termination of services or in case of any pending inquiries;
- k) formulate suitable policies and procedures to ensure that there is no violation of applicable laws, in relation to the Scheme, by the Company and the employees;
- l) the procedure for buy-back of options granted under the Scheme 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 options that the Company may buy-back in a financial year.
- m) the procedure for funding for exercise of options, as permitted under the applicable laws; and
- n) approve forms, writings and/or agreements for use in pursuance of the Scheme.

o) to deal with all incidental and related matters in connection with the items (a) to (o) above and otherwise to ensure compliance with the requirements of applicable laws.

4.3 Post listing, the Company shall also frame suitable policies and systems to ensure that there is no violation of (a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) (b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 (as amended from time to time) and (c) any other regulation as may be notified by the Securities and Exchange Board of India or any other authority from time to time, by the Company, and any of its employee.

4.4 Subject to the extent allowed under the applicable laws, the Committee shall have the right to delegate or authorize any officer of the Company with such power to do specific acts and things as may be deemed necessary in connection with the Scheme.

5. Eligibility and Applicability

5.1 Only employees within the meaning of ESOP 2025 are eligible for being granted options. The specific employees to whom the options would be granted, and their eligibility criteria shall be determined by the Committee upon recommendation of the management of the Company.

5.2 Appraisal process for determining the eligibility of the employees will be based on designation, period 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.

5.3 The Scheme shall be applicable to the Company (including any successor company thereof) and its employees..

6. Grant and Acceptance of Grant

6.1 Grant of options

(a) Grants contemplated under the Scheme shall be made on such day and month as decided by the Committee at its discretion upon recommendation of the Management of the Company subject to the terms of the Scheme.

(b) Each grant of option under the Scheme shall be made in writing by the Company to the eligible employees fulfilling the eligibility criteria in a letter of grant as may be approved containing specific details of the grant, and disclosure requirements, as prescribed under applicable laws.

6.2 **Acceptance of the Grant**

- (a) Any employee who intends to accept the grant made under the Scheme must submit a duly signed acceptance of the letter of grant to the Company, either physically or through electronic means, in the prescribed format. Such acceptance must be delivered on or before the date specified in the letter of grant. ("**Closing Date**"), which shall not be later than 60 (sixty) days from the date of the grant. Upon the Company's receipt of the acceptance in the prescribed form and manner, the employee shall be formally designated as the option grantee under the Scheme. The employee's acceptance of the grant under ESOP 2025 shall constitute an agreement between the option grantee and the Company.
- (b) Any eligible employee who fails to deliver acceptance in the prescribed form and manner on or before the closing date shall be deemed to have rejected the grant unless the Committee determines otherwise.
- (c) No amount is payable by the option grantee at the time of grant until exercise of vested options.

7. **Vesting Schedule and Vesting Conditions**

- 7.1 The options granted under the Scheme shall vest not earlier than the minimum vesting period of 1 (One) year and not later than maximum vesting period of 03 (Three) years from the date of grant. The Committee at its discretion may grant option specifying vesting period ranging from minimum and maximum period as afore stated.

Provided further that in the event of death or permanent incapacity, the minimum vesting period of 1 (one) year shall not be applicable and in such instances, the options shall vest on the date of death or permanent incapacity, as the case may be.

Provided that in case where options are granted by the Company under the Scheme in lieu of option held by a person under a similar Scheme in another company ("Transferor Company**") which has merged or amalgamated with the Company, the period during which the option granted by the Transferor Company were held by him shall be adjusted against the minimum vesting period required under this sub-clause and shall be subject to compliance with the applicable laws.**

Provided further that in case of retirement, all the unvested options as on the date of retirement would continue to vest in accordance with the original vesting schedules even after the retirement unless otherwise determined by the Committee in accordance with the Company's policies and provisions of the then prevailing applicable laws.

- 7.1 The vesting of options shall be contingent upon the employee's continued employment/ service with the Company. In addition, the Committee, in its sole discretion, may impose specific performance criteria, the satisfaction of which shall be required for the options to vest. The Committee shall have the authority to determine the performance parameters applicable to an employee or a class of employees, based on their respective roles, and to assign relative weightages to each parameter as it deems appropriate.

- 7.2 The specific vesting schedule and the vesting conditions, upon which vesting shall take place, will be detailed in the letter issued to the employee at the time of the grant.
- 7.2 The option grantee who has tendered his/her resignation and is serving the notice period after resignation, such notice period shall not be considered for vesting and all the unvested options as on date of submission of resignation shall be cancelled forthwith. Further, an option grantee must not be subject to any disciplinary proceedings pending against him on such date of vesting. In case of any disciplinary proceedings against any option grantee, the relevant vesting shall be kept in abeyance until disposal of the proceedings. In case of reinstatement, vesting shall happen as if there was no abeyance. In case of termination from employment, the provisions of serial number 2 in the table given in sub-clause 8.2(c) of the Scheme shall apply.

7.3 **Vesting of Options in case of Employees on Long Leave**

The period of leave shall not be considered in determining the vesting period in case the option grantee is on a sabbatical. In all other events including approved earned leave, maternity leave and sick leave, the period of leave shall be included to calculate the vesting period unless otherwise determined by the Committee.

7.4 **Acceleration of Vesting in certain cases**

- a. Prior to Listing, and subject to elapse of minimum vesting period of 1(One) year from the grant date:
- (i) The Committee shall have the power to accelerate vesting of any or all unvested options in connection with or upon happening of any liquidity event.
 - (ii) The Committee may determine the terms and conditions of acceleration of vesting including quantum or percentage of unvested options entitled for accelerated vesting, considering any parameter at its sole discretion such as tenure of the option grantees, period elapsed from the grant date and any other aspect.
 - (iii) The options remaining unvested as on date of meeting of the Committee considering the proposal for such acceleration, may at the discretion of the Committee be deemed to vest with effect from that date or from such other date as the Committee may determine.
 - (iv) In case, after approval of acceleration of vesting of unvested options by the Committee, there occurs no liquidity event, on consideration of which the Committee would have approved such acceleration, such non-occurrence shall lead to automatic cancellation of such accelerated vesting as if such proposal was never considered nor approved by the Committee as a result of which such unvested options shall be subject to normal vesting schedule.
- Provided that** in case any or all accelerated vested options are exercised by the option grantee prior to communication of cancellation of acceleration, there shall not be any cancellation or reversal of acceleration of vesting to the extent such vested options are exercised.
- b. Post Listing, this sub-clause shall defunct.

8. Exercise

8.1 Exercise Price

- a. The exercise price per option shall be determined by the Committee which shall not be less than the face value and shall not be more than the Fair Market Value (FMV) of the share as on grant date. The specific exercise price shall be intimated to the option grantee in the grant letter at the time of grant.

Post Listing, the exercise price per option shall be as determined by the Committee and as set out in the grant letter and shall not be less than the face value of the shares and may be up to the market price of the shares, as on the grant date.

- b. Payment of the exercise price shall be made by cheque, demand draft, recognized electronic mode to the account of the Company, or in such other mode and manner as the Committee may decide from time to time in terms of applicable laws.

8.2 Exercise Period

(a) Exercise Period while in employment:

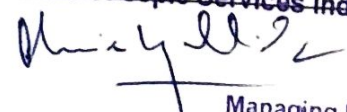
Prior to listing, the vested options can be exercised by the option grantees only in connection with or upon the happening of a liquidity event and within such period as prescribed by the Committee from time to time.

Post listing, the exercise period in respect of the vested option shall be subject to a maximum period of **1 (one) year** from the date of vesting of options. The option grantees can exercise all or part of the vested options within the exercise period.

(b) Exercise Period in case of separation from employment:

Exercisability of the vested options shall be as under:

S. No.	Events of Separation	Prior to Listing	Post Listing
1	Resignation/ Termination (other than due to Misconduct)	All the vested options as on date of resignation/ termination shall be exercised by the option grantee only in connection with/upon happening of Liquidity Event. All the unvested options as on date of resignation/ termination shall stand cancelled with effect from date of such resignation/ termination.	All the vested options as on date of resignation or termination shall be exercisable by the option grantee before his/her last working day with the Company or exercise period, whichever is earlier. All unvested options as on date of resignation or termination shall stand cancelled with effect from date of such resignation/ termination.



2	Separation/ Termination due to Misconduct	All the vested options and all the unvested options shall stand cancelled with effect from the date of such termination.	All the vested options and all the unvested options shall stand cancelled with effect from the date of such termination.
3	Retirement	<p>All the vested options as on date of retirement shall be exercised by the option grantee only in connection with/upon happening of Liquidity Event.</p> <p>All unvested options as on the date of retirement would continue to vest in accordance with the original vesting schedules even after the retirement unless otherwise determined by the Committee in accordance with the Company's policies, if any, and provisions of the then prevailing applicable law.</p> <p>Such aforesaid vested options, shall be exercised by the option grantee only in connection with/upon happening of Liquidity Event.</p>	<p>All the vested options as on date of retirement shall be exercisable within 12 (Twelve) months from the date of retirement or exercise period, whichever is earlier.</p> <p>All unvested options as on the date of retirement would continue to vest in accordance with the original vesting schedules even after the retirement unless otherwise determined by the Committee in accordance with the Company's policies, if any, and provisions of the then prevailing applicable law.</p> <p>Such aforesaid vested options, if any, can be exercised within a period of 12 (Twelve) months from the date of such vesting.</p>
4	Death	<p>All the vested options as on date of death shall be exercised by the deceased option grantee's nominee or legal heirs only in connection with/upon happening of Liquidity Event.</p> <p>All the unvested options as on date of death shall vest forthwith and can be exercised by the deceased option grantee's nominee or legal heirs in the same manner prescribed for vested options.</p>	<p>All the vested options as on date of death shall be exercisable by the legal heir/ nominee of such deceased option grantee within 12 (Twelve) months from the date of Death of the option grantee.</p> <p>All the unvested options as on date of death shall vest immediately in the option grantee's nominee or legal heir and can be exercisable within a period of 12 (Twelve) months from the date of such Vesting.</p>
5	Permanent Incapacity	All the vested options as on date of incurring permanent incapacity can be exercised by the option grantee only in connection with/upon	All vested options may be exercised by the option grantee within 12 (Twelve) months from the date of the permanent

		<p>happening of Liquidity Event.</p> <p>All the unvested options as on date of incurring permanent incapacity shall vest forthwith and can be exercised by the option grantee in the same manner as prescribed for vested options.</p>	<p>incapacity.</p> <p>All the unvested options as on date of incurring such incapacity shall vest immediately with effect from such event to the option grantee and can be exercisable within a period of 12 (Twelve) months from the date of such vesting.</p>
6	<p>Transfer / deputation from/ to the Subsidiary and Holding Company and Post Listing also includes Group and Associate Company</p>	<p>In case of vested options, exercise period to remain the same as per the terms of the grant.</p> <p>In case of subsequent separation, treatment of vested options shall be as per applicable circumstance mentioned in this table.</p> <p>In the case of unvested options, vesting schedule and exercise period to remain same as per the terms of the grant.</p> <p>In case of subsequent separation, treatment of unvested options shall be as per applicable circumstance mentioned in this table.</p>	<p>In case of vested options, exercise period to remain the same as per the terms of the grant.</p> <p>In case of subsequent separation, treatment of vested options shall be as per applicable circumstance mentioned in this table.</p> <p>In the case of unvested options, vesting schedule and exercise period to remain same as per the terms of the grant.</p> <p>In case of subsequent separation, treatment of unvested options shall be as per applicable circumstance mentioned in this table.</p>
7	<p>Any Other Reasons</p>	<p>The Committee will decide whether the vested options can be exercised by the option grantee or not, and such decision shall be final.</p> <p>All unvested options on the last working day of the option grantee shall stand cancelled from such date unless otherwise required by the applicable laws.</p>	<p>The Committee will decide whether the vested options can be exercised by the option grantee or not, and such decision shall be final.</p> <p>All unvested options on the last working day of the option grantee shall stand cancelled from such date unless otherwise required by the applicable laws.</p>

8.3 Procedure of Exercise

The vested options can be exercised by the option grantees by a written application to the Company in the format as may be prescribed in due course keeping in view the administrative and/ or the legal requirements prevailing at that time.

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8.4 **Right to prescribe for cashless Exercise of Options**

The Committee is entitled to specify such procedures and mechanisms for the purpose of implementing the cashless exercise of options as may be necessary and subject to and in accordance with applicable laws, and the same shall be binding on all the option grantees.

8.5 **Lapse of Options**

The options not exercised within the exercise period, as mentioned in sub-clause 8.2 and sub-clause 8.3 above, shall lapse and the option grantee shall have no right over such lapsed or cancelled options.

9. **Liquidity Events**

9.1 **Strategic Sale:**

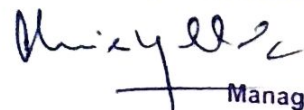
- (a) Notwithstanding anything contained elsewhere in this Scheme, in case prior to listing, to facilitate the strategic sale within the meaning of this Scheme, the current shareholders shall have the right of drag-along of any or all the shares underlying the vested options of the option grantees. However, this drag-along shall be on terms not less favorable than those of the sale of the shares held by the current shareholders as more particularly mentioned hereunder.
- (b) The current shareholders desiring to exercise their rights stated sub-clause (a) above shall deliver a written notice ("Notice") to each option grantee setting out the salient feature of the strategic sale and details of the terms and conditions including number of shares to be dragged-along, price per share, the manner and mode of transfer of shares.
- (c) Option grantees shall exercise the vested options to meet the drag-along obligation as set out in the notice. The new shares arising out of the exercise of vested options pursuant to the notice shall be offered by the option grantee. However, in case the option grantee chooses not to exercise, such number of vested options as specified for exercise in the notice shall lapse on expiry of specified exercise period.
- (d) Each option grantee shall take all necessary and desirable actions in connection with the completion of the strategic sale, including executing agreements and instruments and taking other actions as may be reasonably necessary to provide the representations, warranties, indemnities, covenants, conditions and other provisions and agreements, as the case may be, required to complete the strategic sale.
- (e) If an option grantee fails for any reason to take any of the actions described above particularly after the allotment of shares upon exercise of options, he/she shall be deemed

to have appointed any company director nominated by the company and its subsidiary company(ies) as his/her attorney, on his/her behalf and in his/her name, with full power, to execute, complete and deliver any document or instrument or to take any other action, including to receive the proceeds of the sale and to give good quittance for the sale price in order to complete the strategic sale. The option grantee shall confirm and ratify the acts of such Company Director acting as his attorney under this sub-clause.

9.2

Offer of purchase by an investor

- (a) Prior to listing, any individual, entity, or group ("Investor") who intends to subscribe the shares of the Company and/ or acquire shares from the current shareholder(s), shall have the right to make an offer ("Offer") to the option grantees having vested options yet to be exercised.
- (b) The Investor shall intimate its/his/their intention of such Offer to the Board along with details namely the salient features of the Offer and details of the terms and conditions including, maximum number of options that may be exercised, the exercise period within which such vested options must be exercised to take part in the Offer, maximum number of shares intended to be purchased, and purchase consideration thereof.
- (c) The purchase consideration shall not be lesser than the consideration which the investor would be paying for subscription or acquisition of shares, whichever is higher.
- (d) The Board shall intimate the details of such Offer to the option grantees individually.
- (e) Option grantees may at their discretion participate in this Offer. In case an option grantee has expressed his interest for the offer, shall take all necessary and desirable actions in connection with the purchase, including executing agreements and instruments and taking other actions as required for completing the purchase.
- (f) If an option grantee fails for any reason to take any of the actions described above particularly after the allotment of shares upon exercise of options, he/she shall be deemed to have appointed any Company Director nominated by the Company and its subsidiary company(ies) as his/her attorney, on his/her behalf and in his/her name, with full power, to execute, complete and deliver any document or instrument or to take any other action, including to receive the proceeds of the sale and to give good quittance for the sale price in order to complete the strategic sale. The option grantee shall confirm and ratify the acts of such Company Director acting as his attorney under this sub-clause.



9.3 **Listing or an Initial Public Offering**

- (a) In connection with or upon listing of shares, the option grantees can exercise their vested options, if any, within the specific exercise period notified by the Board at its discretion.
- (b) Post listing, the option grantee subject to vesting, exercise, allotment and lock-in thereafter, per the specific timelines notified by Board, can sell shares in the secondary market or otherwise any time in accordance with applicable laws and Company policy, subject to any restriction on the transferability of shares as per applicable laws.

10. **Discretionary Cash Settlement of Vested Options**

10.1 Prior to listing, the Committee at its discretion shall have the right, without any obligation, to prescribe for cash settlement of any or all the unexercised vested options held by the option grantees by way of cash payment.

10.2 Cash settlement for option grantees continuing employment and in case of retirement, death or permanent incapacity of an option grantee as referred to in the table at sub-clause 8.2(b):

a) The consideration for cash settlement shall be equal to or excess of 'Fair Market Value of shares as on date of such decision' over the 'Exercise Price'; and

b) Option grantee may at their discretion offer their vested options for cash settlement.

c) As a part of the procedure for effecting cash settlement, the Company may require the option grantees to surrender their vested options within a specified period. All rights of the option grantee in the surrendered vested options including the right to exercise such options shall be deemed to be settled and extinguished with effect from date of remittance of cash.

d) In case of failure of any option grantee to surrender the vested options within the specified period, such options shall not be entitled for Settlement.

10.3 Cash settlement for option grantees ceased to be in employment other than retirement, death, and permanent incapacity:

a) The Committee, at its sole discretion and without any obligation, may mandate for cash settlement of vested options of an option grantee who ceases to be in employment of the Company, by way of cash settlement at a "Discounted Fair Market Value" of the

prevailing FMV. In case such mandate is notified, it shall be obligatory for such option grantees to offer vested options for cash settlement in lieu of exercise thereof.

The 'Discounted Fair Market Value' shall be determined as per the matrix below:

Tenure of employee from Grant Date	% discount from FMV
Less than 2 years	50%
From 2 years to less than 3 years	30%
From 3 years to less than 4 years	20%
Equal to or more than 4 years	Nil

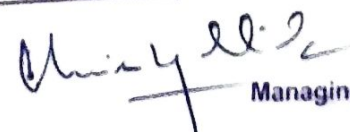
- b) The consideration for cash settlement shall be excess of 'Discounted Fair Market Value of shares as on date of such decision' over the 'Exercise Price'.
- c) In case, the Committee determines to settle vested options in cases of cessation of employment, such vested options shall be deemed to be surrendered with all rights of exercise extinguished with effect from the date of remittance of cash.
- d) In case of failure of any option grantee to surrender the vested options within the specified period, such options shall not be entitled for settlement.

10.4 The Committee may frame the guidelines for executing the cash-settlement of vested options under the Scheme.

10.5 Post listing, this Clause 10 shall defunct.

11. Lock In

11.1 The Equity Shares so allotted to the Grantees pursuant to exercise of Options may be subject to two years lock-in period from date of allotment, as approved by the Board or Committee at the time of grant or as may be required under the Applicable Laws including that and after Listing under the ICDR Regulations, or code of conduct framed, if any, by the Company, and under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.



12. Other Terms and Conditions

- 12.1 Nothing herein is intended to or shall give the option grantee any right or status of any kind as a shareholder of the Company (for example, bonus shares, rights shares, dividend, voting, etc.) in respect of any shares covered by the grant until the option grantee exercises the option and becomes a registered holder of the shares of the Company.
- 12.2 Options are not transferrable unless in case of death of the option grantee in which case, clause 8.2(b) will be referred to for the purpose of exercise. No person other than the option grantee to whom the option is granted shall be entitled to exercise the option except in the event of the death of the option grantee, in which case, clause 8.2(b) shall apply, as mentioned above.
- 12.3 Notwithstanding anything to the contrary contained under the ESOP 2025, the option and the shares resulting from exercise of option shall not be transferred, pledged, hypothecated, mortgaged or otherwise alienated in any other manner except with the prior approval of the Committee in writing and shall be subject to compliance with the applicable laws. However, this restriction shall not be applicable post listing on shares resulting from exercise of option and shall be subject to compliance with the applicable laws.

13. Deduction of Tax

- 13.1 The liability of paying taxes, if any, in respect of options granted pursuant to this Scheme 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.
- 13.2 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.
- 13.3 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.

14. Authority to vary terms

- 14.1 The Company may by special resolution of its shareholders vary the terms of the ESOP 2025

for options granted but not yet exercised by the employees, if such variation is not prejudicial to the interests of the employees. The Committee may, if it deems necessary, vary the terms of ESOP 2025, to meet any regulatory requirements and subject to compliance with the applicable laws.

- 14.2 The Company may re-price the options, which are not exercised, whether or not they have been vested, if the Scheme is rendered unattractive due to fall in the price of the shares in the stock market. Provided that the Company ensures that such repricing is not detrimental to the interests of the employees and approval of the shareholders by a special resolution has been obtained for such repricing.

15. Miscellaneous

15.1 Government Regulations

This ESOP 2025 shall be subject to all applicable laws, and approvals from governmental authorities.

15.2 Foreign Exchange Laws

In case any 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 and exercise of options thereof.

15.3 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.

- 15.4 Unless otherwise intended, the grant of an option does not form part of the option grantee's entitlement to compensation or benefits pursuant to his contract of employment nor does the existence of a contract of employment between any person and the Company give such person any right or entitlement to have an option granted to him in respect of any number of shares or any expectation that an option might be granted to him whether subject to any condition or at all.

- 15.5 Neither the existence of this Scheme nor the fact that an individual has on any occasion been granted an 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 Scheme by being granted an option on any other occasion.

- 15.6 The rights granted to an option grantee upon the grant of an option shall not accord 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).
- 15.7 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 option in whole or in part.
- 15.8 Participation in ESOP 2025 shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the value of the shares and the risks associated with the investments are that of the option grantee alone.

16. Accounting and Disclosures

- 16.1 The Company shall follow the IND AS 102 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.

Post listing, the Company shall comply with the accounting and disclosure requirements as prescribed under Regulation 15 of the SBEB Regulations.

17. Certificate from Secretarial Auditors

- 17.1 Post listing, the Board shall at each annual general meeting place before the shareholders a certificate from the Secretarial Auditors of the Company that the Scheme has been implemented in accordance with the SBEB Regulations and in accordance with the resolution of the Company in the general meeting.

18. Governing Laws and jurisdiction

- 18.1 The terms and conditions of the ESOP 2025 shall be governed by and construed in accordance with the applicable laws of India including the Exchange control regulations.
- 18.2 The courts in Chennai, Tamil Nadu, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP 2025.

18.3 Nothing in this Clause shall however limit the right of the Company to bring proceedings against any employee in connection with this ESOP 2025, in any other court of competent jurisdiction; or concurrently in more than one jurisdiction.

19. Notices

19.1 All notices of communication required to be given by the Company to an option grantee by virtue of this ESOP 2025 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.

19.2 Any communication to be given by an option grantee to the Company in respect of ESOP 2025 shall be sent at the address mentioned below or e - mailed at:

Designation : Company Secretary and Compliance Officer

Address : D.NO 34 Thiyagaraya Gramani Street, T-Nagar, Chennai, Tamil Nadu, India, 600017

E-mail : cs@stalwartgroup.com

19.3 The option grantee acknowledges that it shall be the obligation of the option grantee to promptly notify the Company of any change in the residential or electronic mail address of the option grantee and the Company shall not be liable in any manner for any failure of the option grantee to do so. Further, in the event that the option grantee does not respond to any notice delivered to the option grantee, wherever required, within seven (7) days of delivery of a notice or in accordance with the terms of such notice, then all rights of the option grantee under this ESOP 2025 shall be deemed to have automatically lapsed forthwith.

20. Severability

20.1 In the event any one or more of the provisions contained in this Scheme 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 Scheme in which case the Scheme shall be construed as if such invalid, illegal, or unenforceable provisions had never been set forth herein, and the Scheme 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 2025 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 the option grantee is found in breach of this clause, the Company shall have undisputed right to terminate any agreement/grant. The decision and judgment of the Committee 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 Committee 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 ESOP 2025, accounting and statutory disclosures, 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.

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For Stalwart People Services India Ltd.,

Managing Director