



Updater Employee Stock Option Plan 2019

Updater Services Private Limited

**Updater Services Private Limited**

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai  
Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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**TABLE OF CONTENTS**

1. NAME, OBJECTIVE AND TERM OF THE PLAN .....	3
2. DEFINITIONS AND INTERPRETATION.....	3
3. AUTHORITY AND CEILING.....	8
4. ADMINISTRATION.....	9
5. ELIGIBILITY AND APPLICABILITY .....	10
6. GRANT AND ACCEPTANCE OF GRANT .....	11
7. VESTING SCHEDULE AND VESTING CONDITIONS.....	11
8. EXERCISE .....	13
9. SPECIAL PROVISIONS FOR EXERCISE IN CASE OF LISTING ERROR! BOOKMARK NOT DEFINED.	
10. EXERCISE IN CASE OF LIQUIDITY EVENTS:.....	15
11. CASH SETTLEMENT OF VESTED OPTIONS.....	16
12. RIGHT TO PRESCRIBE FOR CASHLESS EXERCISE OF OPTIONS .....	16
13. LISTING .....	16
14. LAPSE OF OPTIONS .....	16
15. LOCK-IN OF SHARES.....	17
16. RESTRICTION ON TRANSFER OF OPTIONS .....	17
17. OTHER TERMS AND CONDITIONS .....	17
18. DEDUCTION/RECOVERY OF TAX.....	17
19. AUTHORITY TO VARY TERMS .....	18
20. MISCELLANEOUS .....	18
21. NOTICES .....	19
22. NOMINATION.....	19
23. ACCOUNTING AND DISCLOSURES.....	19
24. GOVERNING LAWS .....	20
25. JURISDICTION.....	20
26. SEVERABILITY .....	20

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Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai  
Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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### 27. CONFIDENTIALITY ..... 21

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

1.1 This employee stock options plan shall be called the 'Updater Employee Stock Option Plan 2019' (hereinafter referred to as "ESOP 2019"/ "Plan").

1.2 The primary objective of the ESOP 2019 is to reward the critical 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 critical talents working with the Company or its Holding company, 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 units 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 The ESOP 2019 is established with effect from 17<sup>th</sup> April 2019 on which the shareholders of the Company have approved the Plan 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 Options available for issuance under the ESOP 2019 have been issued and exercised, whichever is earlier.

1.4 Subject to provisions of Clause 19 of this Plan, the Board as authorized may at any time alter, amend, suspend or terminate the Plan.

#### 2. Definitions and Interpretation

##### 2.1 Definitions

i. "Applicable Law" means every rule, regulation or law relating to Employee Stock Option, including, without limitation, the Companies Act including any enactment or re-enactment thereof, and all relevant tax, securities, exchange control or corporate laws of India.

ii. "Board" means the Board of Directors of the Company.

iii. "Change in Control" means sale of Shares held by the Current Shareholders 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.

## Updater Services Private Limited

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Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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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 Change in Control.

- iv. "Control" shall include the right to appoint majority of the Directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner;
- v. "Companies Act" means the Companies Act, 2013 read with rules issued thereunder from time to time and includes any statutory modifications or reenactments thereof.
- vi. "Company" means "Updater Services Private Limited", a company registered in India under the provisions of the Companies Act, 1956, having CIN:U74140TN2003PTC051955 and having its registered office at No.2/302-A, UDS Salai, off old Mahabalipuram Road, Thoraipakkam Chennai Kancheepuram, TN - 600 097 and shall deem to mean Holding company, as the context may require for the purposes of this Plan.
- vii. "Company Policies/Terms of Employment" means the Company's policies for Employees and the terms of employment as contained in the employment letter and the Company handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other Employees and customers. Policies/terms of employment of the Holding company as regards an Option Grantee on the payrolls of such Holding company, shall be deemed to be "Company Policies/Terms of Employment" for such Option Grantee.
- viii. "Current Shareholder" means a person whether a natural individual or a corporate entity, who holds Shares in the paid-up equity share capital of the Company at the relevant point of time and the term Current Shareholders refers to all such Current Shareholders of the Company.
- ix. "Director" means a member of the Board of the Company.
- x. "Eligibility Criteria" means the criteria as may be determined from time to time by the Board for granting the Options to the Employees.
- xi. "Employee" means
  - (i) a permanent employee of the Company working in India or out of India;

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Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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- (ii) a Director of the Company, whether a whole time Director or not; or
  - (iii) an employee of a Holding company of the Company;
- but excludes**
- a. an employee who is a Promoter or belongs to the Promoter Group;
  - b. a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company; and
  - c. a Director being an Independent Director.
- xii. "ESOP 2019" means the Updater Employee Stock Unit Plan 2019 under which the Company is authorized to grant Options to the Employees.
- xiii. "Employee Stock Option" means Options granted to an Employee, which gives such Employee the right, but not an obligation, to purchase at a future date the Shares underlying such Option at a pre-determined price.
- xiv. "Exercise" of an Option means expression of an intention by an Employee to the Company to purchase the Shares underlying the Options vested in him, in pursuance of the ESOP 2019, in accordance with the procedure laid down by the Company for Exercise of Options.
- xv. "Exercise Period" means such time period commencing after Vesting within which the Employee should Exercise the Options vested in him in pursuance of the Plan, as more particularly specified at Sub-clause Error! Reference source not found.2 of the Plan.
- xvi. "Exercise Price" means the price payable by an Option Grantee in order to Exercise the Options granted to him in pursuance of the ESOP 2019.
- xvii. "Fair Market Value" means the value of a Share of the Company as determined by a registered valuer or an independent valuer, as required by Applicable Laws for the time being in force and appointed by the Company from time to time.
- xviii. "Grant" means the process by which the Company issues Options to the Employees under ESOP 2019.
- xix. "Holding company" means any present or future holding company of the Company, determined as per provisions of Section 2(46) of the Companies Act.
- xx. "Independent Director" means a Director within the meaning of Section 149(6) of the Companies Act.

## Updater Services Private Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai  
Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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- xxi. "Listing" means listing of the Company's Shares on any recognized Stock Exchange in India which includes listing of Shares pursuant to initial public offering of Shares as per Applicable Laws.
- xxii. "Liquidity Event" means any event or transaction as decided and approved by the Board as liquidity event for the purposes of this Plan, from time to time, which more particularly includes the following events:
  - a. Change in Control conferring a right of drag along to the Current Shareholders in terms of provisions of Sub-clause 9.1 of the Plan;
  - b. Listing, whereby the Shares of the Company get listed on any recognized Stock Exchange in terms of provisions of Sub-clause 9.2 of the Plan; and
  - c. Any other event, which the Board may designate as a liquidity event for the purpose of the Plan.
- i. "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 misdemeanour 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; and
  - (vi) misconduct as provided under the labour laws after following the principles of natural justice.
- xxiii. "Option" means Employee Stock Option within the meaning of this Plan.
- xxiv. "Option Grantee" means an Employee who has been granted an Option in pursuance of the ESOP 2019 and has accepted such Grant as required under the Plan and shall deem to include nominee/ legal heir of such Option Grantee in case of death of Option Grantee to the extent provisions of the Plan is applicable.

## Updater Services Private Limited

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---

- xxv. "Permanent Incapacity" means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Board based on a certificate of a medical expert identified by the Board.
- xxvi. "Plan" means ESOP 2019 within the meaning of this document.
- xxvii. "Promoter" means a person:
- (a) who has been named as such in a prospectus or is identified by the Company in the annual return;
  - (b) who has control over the affairs of the Company, directly or indirectly whether as a shareholder, Director or otherwise; or
  - (c) in accordance with whose advice, directions or instructions the Board is accustomed to act:
- Provided that nothing in Sub-clause (c) shall apply to a person who is acting merely in a professional capacity.
- xxviii. "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.
- xxix. "Retirement" means retirement as per the rules of the Company.
- xxx. "Shares" means equity shares of the Company of face value of Rs. 10 (Ten) each fully paid-up including the equity shares arising out of the Exercise of Options granted under ESOP 2019.
- xxxi. "Stock Exchange" means the National Stock Exchange of India Limited (NSE), BSE Limited (BSE) or any other recognized stock exchanges in India on which the Company's Shares are listed or to be listed in future.
- xxxii. "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.
- xxxiii. "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.

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- xxxiv. "Vesting" means earning by the Option Grantee, of the right to Exercise the Options granted to him in pursuance of the ESOP 2019.
- xxxv. "Vesting Condition" means any condition subject to which the Options granted would vest in an Option Grantee.
- xxxvi. "Vesting Period" means the period during which the Vesting of the Option granted to the Employee, in pursuance of the ESOP 2019 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 to interpretation;
- b) a reference to a clause number is a reference to its sub-clauses;
- c) words in singular number include the plural and vice versa;
- d) words importing a gender include any other gender;
- e) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.
- f) The terms defined in ESOP 2019 shall for the purposes of ESOP 2019 have the meanings herein specified and terms not defined in ESOP 2019 shall have the meanings as defined in the 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 dated 17<sup>th</sup> April 2019 approved the Plan authorizing the Board to grant not exceeding 16,32,640(Sixteen Lakhs Thirty Two Thousand Six Hundred & Forty) Options to the eligible Employees in one or more tranches, from time to time, which in aggregate exercisable into not more than 16,32,640(Sixteen Lakhs Thirty Two Thousand Six Hundred & Forty) Shares of face value of Rs.10 (Ten) each fully paid up; with each such Option conferring a right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided under the Plan.

3.2 The maximum number of Options under ESOP 2019 that may be granted to any identified Employee in any year shall in aggregate not exceed 5,00,000(Five Lakh) Options.

## Updater Services Private Limited

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Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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- 3.3 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.
- 3.4 Where Shares are issued consequent upon Exercise of an Option under the ESOP 2019, the maximum number of Shares that can be issued under ESOP 2019 as referred to in Clause 3.1 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 granted under ESOP 2019 as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (No. 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 2019 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 2019 shall be revised to restore the value.
- 4. Administration**
- 4.1 The ESOP 2019 shall be administered by the Board of the Company. The Board may delegate some or all the functions relating to administration of the ESOP 2019 to the committee in which case the rights, powers, duties or liabilities of the Board to the extent delegated shall be discharged by the committee to the extent delegated.
- 4.2 All questions of interpretation of the ESOP 2019 shall be determined by the Board and such determination shall be final and binding upon all persons having an interest in the ESOP 2019 or in any Option issued thereunder. Neither the Company nor the Board shall be liable for any action or determination made in good faith with respect to ESOP 2019 or any Options granted thereunder.
- 4.3 The Board shall in accordance with this Plan and Applicable Laws determine the following:
- (a) The quantum of Option to be granted under the ESOP 2019 per Employee, subject to the ceiling as specified in Para 3.1;
  - (b) The Eligibility Criteria for grant of Option to the Employees;
  - (c) 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;

## Updater Services Private Limited

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CIN: U74140TN2003PTC051955

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- (d) The specified time period within which the Employee shall Exercise the Vested Option in the event of termination or resignation of an Employee;
- (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 Option and/or 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 Board:
  - (i) the number and/or the Exercise Price of Option shall be adjusted in a manner such that total value of the Option remains the same before and after such corporate action; and
  - (ii) the Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Option Grantees.
- (g) The procedure and terms for the Grant, Vesting and Exercise of Option in case of Employees who are on long leave;
- (h) The conditions under which Option vested in Employees may lapse in case of termination of employment for misconduct;
- (i) The procedure for cashless Exercise of Option, if required;
- (j) Take any other actions and make any other determinations or decisions that it deems necessary or appropriate in connection with the Plan or the administration or interpretation thereof; and
- (k) Approve forms, writings and/or agreements for use in pursuance of the ESOP 2019.

### **5. Eligibility and Applicability**

- 5.1 Only Employees within the meaning of this Plan are eligible for being granted Options under ESOP 2019. The specific Employees to whom the Option would be granted and their Eligibility Criteria shall be determined by the Board.
- 5.2 The Plan shall be applicable to the Company, its Holding company and any successor company thereof and Options may be granted to the Employees of the Company and/or its Holding company, as determined by the Board at its sole discretion.

## Updater Services Private Limited

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CIN: U74140TN2003PTC051955

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5.3 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 Board at its sole discretion, from time to time.

### 6. Grant and Acceptance of Grant

#### 6.1 Grant of Options

(a) Grants contemplated under the Plan shall be made on such day and month as decided by the Board at its discretion.

(b) Each Grant of Option under the Plan 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.

#### 6.2 Acceptance of the Grant

Any eligible Employee who wishes to accept the Grant made under this Plan must deliver to the Company a duly signed acceptance of the letter of Grant on or before the date ("Closing Date") which shall not be more than 60 days from the date of the Grant, as specified in the letter of Grant. On receipt by the Company of the signed acceptance, the eligible Employee will become an Option Grantee.

6.3 Any eligible Employee, who fails to deliver the signed acceptance of the letter of Grant on or before the Closing Date stated above, shall be deemed to have rejected the Grant unless the Board determines otherwise.

### 7. Vesting Schedule and Vesting Conditions

7.1 Options granted under ESOP 2019 shall vest not earlier than minimum period of 1 (one) year and not later than maximum period of 4 (four) years from the date of Grant. The Board at its discretion may grant Option specifying Vesting Period ranging from minimum and maximum period as afore-stated.

**Provided that** in case where Options are granted by the Company under the Plan in lieu of Option 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 Option granted by the Transferor Company were held by him shall be adjusted against the minimum Vesting Period required under this Sub-clause.

7.4 As a prerequisite for a valid Vesting, an Option Grantee is required to be in employment or service of the Company or its Holding company, as the case may be, on the date of Vesting and must neither be serving his notice for termination of employment/ service, nor

## Updater Services Private Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai  
Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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be subject to any disciplinary proceedings pending against him on the such date of Vesting. Vesting of Options would be subject to continued employment with the Company or its Holding company, as the case may be and thus the Options would vest essentially on passage of time. In addition to this, the Board may also specify certain performance criteria subject to satisfaction of which the Options would vest.

7.5 The specific Vesting Conditions subject to which Vesting would take place shall be communicated to each Option Grantee individually in the letter issued at the time of Grant.

7.6 **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 Board.

7.7 **Acceleration of Vesting in certain cases**

Subject to elapse of minimum Vesting Period of 1 (one) year from the date of Grant:

- (i) The Board shall have the power to accelerate Vesting of any or all Unvested Options at its sole discretion.
- (ii) 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.

## Updater Services Private Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai  
Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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### 8. Exercise

#### 8.1 Exercise Price

- (a) The Exercise Price per Option shall be determined by the Board which shall not be less than the face value of the Share as on date of Grant of such Option. The specific Exercise Price shall be intimated to the Option Grantee in the Grant Letter at the time of Grant.
- (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) **Exercise while in employment/ service:**

The Vested Options can be exercised by the Option Grantees only in connection with or upon happening of a Liquidity Event and within such period as prescribed by the Board in this regard.

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

The Vested Options can be exercised by the Option Grantee as under:

S. No.	Events of separation	Vested Options	Unvested Options
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 on the happening of the Liquidity Event and within such time as decided by the Board at its sole discretion.	All the Unvested Options as on date of resignation/ termination shall stand cancelled with effect from date such resignation/ termination.
2	Termination due to Misconduct	All the Vested Options at the time of such termination shall stand cancelled with effect from the date of such termination.	All the Unvested Options at the time of such termination shall stand cancelled with effect from the date of such termination.

## Updater Services Private Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thorapakkam Chennai  
Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

3	Retirement	All the Vested Options as on date of Retirement shall be exercised by the Option Grantee only on the happening of the Liquidity Event and within such time period as decided by the Board at its sole discretion.	All Unvested Options on the date of Retirement shall stand cancelled with effect from date of Retirement.
4	Death	All the Vested Options as on date of death shall be exercised by the nominee or legal heir of the Option Grantee only at the time of Liquidity Event and within such time period as decided by the Board at its sole discretion.	All the Unvested Options as on the date of death shall be deemed to vest immediately and may be exercised as per provisions applicable for Vested Options.
5	Permanent Incapacity	All the Vested Options as on date of Permanent Incapacity can be exercised by the Option Grantee only in connection with/upon happening of the Liquidity Event and within such time period as decided by the Board at its sole discretion.	All the Unvested Options as on the date of incurring such disability shall be deemed to vest immediately and may be exercised as per provisions applicable for Vested Options.
6	Abandonment of employment	All the Vested Options shall stand cancelled with effect from such date as determined by the Board.	All Unvested Options shall stand cancelled with effect from such date as determined by the Board.
7	Termination due to reasons apart from those mentioned above	The Board shall decide whether the Vested Options as on that date can be settled or not, and such decision shall be final.	All Unvested Options on the date of such termination shall stand cancelled unless otherwise required by Applicable Laws.

## Updater Services Private Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai  
Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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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.

### 9. Exercise in case of Liquidity Events:

#### 9.1 Exercise arising from Drag along rights in case of Change in Control:

- (a) Notwithstanding anything contained elsewhere in this Plan, in case prior to Listing, to facilitate the Change in Control within the meaning of this Plan, 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 favourable 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 in sub-clause (i) above shall deliver a written notice ("Notice") to each Option Grantee setting out the salient feature of the Change in Control 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 Change in Control, 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 Change in Control.
- (e) If an Option Grantee fails for any reason to take any of the actions described above particularly after, he/she shall be deemed to have appointed any Company Director nominated by the Company 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 Change in Control. The Option Grantee shall confirm and ratify the acts of such Company Director acting as his attorney under this Sub-clause.

## Updater Services Private Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai  
Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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### 9.2 Listing or an Initial Public Offering

Post Listing of the Shares of the Company on a Stock Exchange, Option Grantee 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. Cash Settlement of Vested Options

10.1 Prior to Listing, the Board at its discretion shall have the right, without any obligation, to prescribe for cash settlement of any or all unexercised Vested Options.

10.2 The consideration for the cash settlement shall be determined with reference to the Fair Market Value prevailing as on date of Board meeting approving such proposal. In case of cash settlement, excess of such Fair Market Value over relevant Exercise Price shall be paid.

10.3 To the extent unexercised Vested Options are settled by way of cash payment, all rights of the Option Grantee therein including the right to Exercise such Options deemed to be settled and extinguished with effect from date of receipt of the cash payment.

### 11. Right to prescribe for cashless Exercise of Options

Notwithstanding anything contained in the foregoing provisions relating to Exercise of Options, the Board is entitled to specify such procedures and mechanisms for the purpose of implementing the cashless Exercise of Options as may be necessary and the same shall be binding on all the Option Grantees. The procedure may *inter alia* require the Option Grantees to authorize any person nominated by the Company to deal with the Options on the Option Grantees' behalf till the realization of sale proceeds.

### 12. Listing

Upon Listing, the Option Grantee or his nominee/ legal heirs, where applicable, can sell Shares in the open market at any time in accordance with Applicable Laws and policies of the Company, subject to any lock in period as per Applicable Laws.

### 13. Lapse of Options

The Vested Options not exercised within the respective Exercise Periods prescribed in Sub-clauses of Clause 8 shall lapse and be deemed to be cancelled on expiry of such Exercise Period. The Option Grantee shall have no right or recourse over such lapsed/ cancelled Options.

## Updater Services Private Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai  
Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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### **14. Lock-in of Shares**

The Shares arising out of Exercise of Vested Options would not be subject to any lock-in period after such Exercise except such restrictions as prescribed under the Applicable Laws.

### **15. Restriction on transfer of Options**

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

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

15.3 No person other than the Employee to whom the Option is granted shall be entitled to Exercise the Option except in the event of the death of the Option Grantee holder, in which case provisions at Sub-clause 8.2(b) would apply.

### **16. Other Terms and Conditions**

#### **16.1 Listing of Shares**

In case of Listing, the Board 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 including imposition of lock-in restrictions for certain classes of Employees.

16.2 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 Options granted, till Shares underlying such Options are allotted on Exercise of such Option.

16.3 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 Option and becomes a registered holder of the Shares of the Company.

16.4 If the Company issues bonus or rights Shares, the Option Grantee will not be eligible for the bonus or rights Shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with Clause 4.3(f) of ESOP 2019.

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

## Updater Services Private Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai  
Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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- 17.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this Plan and the Shares issued pursuant to Exercise thereof shall be entirely on Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder and/or Income Tax Laws of respective countries as applicable to eligible Employees of Company or its Holding company working abroad, if any.
- 17.2 The Company shall have the right to deduct from the Employee's salary or recover any tax that is required to be deducted or recovered under the Applicable Laws. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.
- 17.3 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.
- 18. Authority to vary terms**
- For the purpose of efficient implementation and administration of the ESOP 2019, the Board may, if it deems necessary, vary the terms of ESOP 2019, including pursuant to meeting any regulatory requirements, subject to the Applicable Laws and the conditions of the shareholders' approval, in such manner which is not detrimental to the interest of employee.
- 19. Miscellaneous**
- 19.1 **Government Regulations**
- This ESOP 2019 shall be subject to all Applicable Laws, and approvals from government authorities. The Grant and the allotment of Shares under this ESOP 2019 shall also be subject to the Company requiring Employees to comply with all Applicable Laws.
- 19.2 **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 from any and all liability in respect of the failure to issue or sell such Shares.
- 19.3 Neither the existence of this Plan 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 Plan by being granted an Option on any other occasion.
- 19.4 The rights granted to an Option Grantee upon the grant of an Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in consequence

## Updater Services Private Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai  
Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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of the loss or termination of his office or employment with the Company, its Holding company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

19.5 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 Option in whole or in part.

19.6 Participation in Plan 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.

### 20. Notices

20.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOP 2019 shall be in writing. The communications shall be made by the Company in any one or more of the following ways:

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

20.2 All notices of communication to be given by an Option Grantee to the Company in respect of ESOP 2019 shall be sent to the address mentioned below:

Designation : **Head - Human Resource**

Address : **Updater Services Private Limited**

No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam  
Chennai Kancheepuram, TN - 600 097.

E-mail : [facility@uds.in](mailto:facility@uds.in); [Raghu.tangirala@uds.in](mailto:Raghu.tangirala@uds.in)

### 21. Nomination

The Employee has to nominate a person as his/her nominee. The nominee in case of death or legal incapacity of Employee shall be the legal representative recognized by the Company as the inheritor of the Employee in respect of all rights and liabilities for the purposes of this Plan.

### 22. Accounting and Disclosures

## Updater Services Private Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai  
Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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22.1 The Company shall follow the rules/regulations applicable to accounting of Options with reference to Intrinsic Value of Shares or any other applicable rules/regulations as on date of Grant.

22.2 The rules/regulations to be followed shall include 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.

### 23. Governing Laws

23.1 The terms and conditions of the ESOP 2019 shall be governed by and construed in accordance with the laws of India including the Income Tax Laws and Foreign Exchange Laws mentioned below.

#### 23.2 Income Tax Laws

The provisions of the Income Tax Act, 1961 and Rules made thereunder as amended and enacted from time to time shall be applicable in respect of taxability of Employees and the Company arising out of any transaction in the Options.

#### 23.3 Foreign Exchange Laws

In case any Options are granted to any Employee being resident outside India belonging to the Company, 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 in connection with grant, vest, Exercise of Options and allotment of Shares thereof.

### 24. Jurisdiction

24.1 The Courts in Chennai, Tamil Nadu shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP 2019.

24.2 Nothing in this Sub-clause will however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP 2019:

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

### 25. Severability

In the event any one or more of the provisions contained in this ESOP 2019 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 ESOP 2019, but

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Kancheepuram, TN - 600 097.  
CIN: U74140TN2003PTC051955

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ESOP 2019 shall be construed as if such invalid, illegal, or unenforceable provision had never been set forth herein, and the ESOP 2019 shall be carried out as nearly as possible according to its original intent and terms.

### **26. Confidentiality**

- 26.1 An Option Grantee must keep the details of the ESOP 2019 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 Board shall have the authority to deal with such cases as it may deem fit.
- 26.2 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-----

