

# **BRAINBEES SOLUTIONS PRIVATE LIMITED**

## **EMPLOYEE STOCK OPTION PLAN 2011**

### **1. SHORT TITLE, EXTENT AND COMMENCEMENT**

- a. This Plan may be called the "BBESOP 2011."
- b. It applies only to the bonafide employees of the Company, its all subsidiaries whether now or hereafter existing, as well as to all the Directors of the Company.
- c. It shall be deemed to have come into force on the 31<sup>st</sup> May 2011.

### **2. OBJECTIVES OF THE PLAN**

The principal objectives of this Plan are to:

- a. Attract, retain and motivate talented and critical employees.
- b. Encourage employees to align individual performance with company objectives.
- c. Reward employee performance with ownership in proportion to their contribution.
- d. Align employee interest with those of the organisation.

### **3. DEFINITIONS**

As used herein, unless repugnant to the context the following definitions shall apply:

- a. "Applicable Law(s)" means and includes all statutes, enactments, acts of legislature or parliament, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, and orders of any Government, statutory authority, tribunal, board, court or recognized stock exchange applicable to the Plan, including the SEBI SBEB Regulations.
- b. "Administrator" means the CEO duly approved by the Board of Directors of the Company and after the IPO would mean the Nomination and Remuneration Committee.
- c. "Board" means the Board of Directors for the time being of the Company.
- d. "Company" means Brainbees Solutions Private Limited.
- e. "Director" means a member of the Board.
- f. "Employee" means (i) an employee as designated by the company, who is exclusively working in India or outside India; or (ii) a director of the company, whether a whole time director or not,

including a non- executive director who is not a promoter, if any, or member of the promoter group, if any, but excluding an independent director; or (iii) an employee as defined in sub-clauses (i) or (ii), of a group company including subsidiary or its associate company, in India or outside India, or of a holding company of the company, but does not include – (A) an employee who is a promoter, if any, or a person belonging to the promoter group, if any; or (B) a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company..

g. "Eligible Employee" means an employee who qualifies for issue of Options under this Plan and who fulfils the conditions as decided in the evaluation process and will include new employees joining the Company as well as those who have been appointed to join the company.

h. "Exercise" means making of an application by the employee to the company for issue of shares against option vested in him in pursuance of the plan and paying the exercise price for the options.

i. "Exercise Price" means, the price payable by the employee for exercising the option granted to him under this plan as may be decided by the Administrator from time to time.

j. "Exercise Period" means the time period after vesting within which the employee should exercise his right to apply for shares against the option vested in him in pursuance of the plan.

k. "Fair Market Value" of a share means the market price as defined by Securities and Exchange Board of India from time to time.

l. "Option" means a Stock Option granted pursuant to the Plan, comprising of a right but not an obligation granted to an employee under the Plan to apply for and be allotted shares of the company at the exercise price determined earlier, during r within the exercise period, subject to the requirements of vesting.

m. "Option Agreement" means a written agreement between the Company and an Optionee evidencing the terms and conditions of an individual Option grant. The Option Agreement is subject to the terms and conditions of the Plan.

n. "Optionee" means the holder of an outstanding Option granted pursuant to this Plan.

o. "Permanent Incapacity" means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Optionee from performing the specific jobs, works or tasks which the said Optionee was capable of performing immediately before such disablement, as determined by the Administrator based on a certificate of a medical expert identified by the Administrator.

p. "Plan" means Brainbees Employees Stock Option Plan 2011.

q. "SEBI SBEB Regulations" means the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended.

r. "Shares" mean the equity shares of the Company which have no preference in respect of dividends or in respect of amounts payable in the event of any voluntary liquidation or winding up of the company.

s. "Subsidiary" means a subsidiary of the Company, whether now or hereafter existing as defined under Section 4 of the Companies Act, 2013.

- t. "Vesting" means the process by which the employee is given the right to apply for shares of the Company against the option granted to him in pursuance of the plan.
- u. "Vesting Period" means the period after which the vesting of the option granted to the employee in pursuance of the plan takes place and does not include any period of service for which employee was not paid salary/wages other than for reasons approved by the Administrator.
- v. "Vesting Schedule" means the schedule of dates on which a specific number of stock options awarded as part of a stock option grant become vested. The vesting schedule for stock options shall be defined in the grant agreement.

#### **4. QUANTUM OF SHARES SUBJECT TO THE PLAN**

- a. The maximum number of options under BBESOP 2011 shall be the number as approved by the Board and shareholders from time to time, which number as on the date of the adoption of BBESOP 2011 shall be 6,780,926 (Sixty Seven Lacs Eighty Thousand Nine Hundred and Twenty Six Only).
- b. The shares, which are subject to Option, shall be authorised but unissued.
- c. If an Option expires or becomes unexercisable without having been exercised in full, the unpurchased shares, which were subject thereto, shall become available for future grant or sale under the Plan (unless the Plan has terminated).
- d. Where shares are issued consequent upon exercise of an Option under the Plan, the maximum number of shares which are subject to option referred to in Clause 4(a) above stands reduced to the extent of such shares issued.

#### **5. ADMINISTRATION OF THE PLAN**

The Plan shall be administered by the Administrator as per the provisions of the Plan.

#### **6. POWERS OF THE ADMINISTRATOR**

Subject to the provisions of the Plan and subject to the approval of any relevant authorities, the Administrator shall have the authority to:

- a. Determine Exercise Price in accordance with guidelines in this Plan;
- b. Select the Eligible Employees to whom Options may from time to time be granted hereunder;
- c. Determine the number of shares to be granted under this plan to Eligible Employees;
- d. Approve forms of agreement for use under the Plan;
- e. Determine the terms and conditions, of any option granted hereunder not being inconsistent with the provisions of the plan;
- f. Prescribe, amend and rescind rules and regulations relating to the Plan with approval of the Board of Directors; and
- g. Construe and interpret the terms of the Plan and Options granted pursuant to the Plan.

#### **7. EFFECT OF ADMINISTRATOR'S DECISIONS**

All decisions, determinations and interpretations of the Administrator shall be final and binding on all concerned.

#### **8. ELIGIBILITY FOR GRANT OF OPTIONS**

- a. Only Employees who are eligible for being categorized as Eligible Employees by the Administrator and being granted options under this Plan.
- b. Each Option shall be designated in the Option Agreement.
- c. Neither the Plan nor any Option shall confer upon any Optionee any right with respect to continuing the Optionee's relationship as an Employee with the Company, nor shall it interfere in any way with his or her right or the Company's right to terminate such relationship at any time, for any reason whatsoever.

## **9. RIGHTS OF AN OPTIONEE**

Unless and until the Options have been exercised and/or transferred/allotted to the name of the Optionee in accordance with the provisions of the Companies Act, 2013, the Optionee or his/her nominee shall not have any rights whatsoever as a shareholder including rights for receipt of dividend and/or for voting with respect to Options granted.

The right to relinquishment is available to employees subject to mutual agreement of the Company and the respective employee.

## **10. TERM OF PLAN**

The Plan shall become effective upon its adoption by the Board. It shall continue in effect unless terminated by the Board of Directors of the Company or all the options under the Plan are vested and exercised.

## **11. TERM OF OPTION**

The term of each Option shall be stated in the Option Agreement; provided, however, that the term shall be no more than five (5) years from the date of grant thereof.

## **12. VESTING PERIODS OF OPTIONS**

a. The minimum vesting period of an Option shall not be less than a period of 12 months from the date of grant of the option provided that in the event of death or Permanent Incapacity of an employee, the minimum vesting period of one year shall not be applicable and in such instances, the options shall vest on the date of the death or permanent incapacity.

b. The maximum vesting period of an Option shall not be more than a period 48 months from the date of the grant of the Option.

c. Vesting Schedule:

The Option will be exercisable, in whole or in part, according to the following vesting schedule:

25% of the Shares subject to Option will vest on the one (1) year anniversary of the Vesting Commencement Date, and 25% of Shares subject to Option will vest thereafter each year for succeeding (3) three years, subject to Optionee continuing to be an Eligible employee.

## **13. EXERCISE PRICE**

Exercise price payable by the employee for exercising the Option granted to him/her under this Plan will be at an Option Discount of 90% of the share price valuation determined at the immediately preceding round of equity raised by the Company subject to conforming to the accounting policies

specified in the SEBI SBEB Regulations. In other words, the Exercise Price will be 10% of the share price valuation determined at the immediately preceding round of equity raised by the Company

Such Option Discount shall be treated as a perquisite and tax will be withheld as per tax laws prevalent at the time of exercising the Option granted under this Plan.

#### **14. CONSIDERATION PAYABLE BY OPTIONEE WHILE EXERCISING OPTION**

- a. The consideration payable by an Optionee for exercising an Option would be as per the exercise price.
- b. The consideration to be paid for the shares to be issued upon exercise of an Option, including the method of payment shall be determined by the Administrator at the time of grant. Such consideration may be paid by way of:
  - i. Cash
  - ii. Cheque or cheque equivalent

In making its determination as to the type of consideration to accept, the Administrator shall consider if acceptance of such consideration may be reasonably expected to benefit the Company.

#### **15. METHODOLOGY OF EXERCISE OF OPTIONS**

- a. Procedure for Exercise of Options

An Option granted hereunder shall be exercisable according to the terms hereof at such times and under such conditions as determined by the Administrator and set forth in the Option Agreement. The Option shall be deemed exercised when the Company receives;

- i. Written or electronic notice or exercise (in accordance with the Option Agreement in Annexure A) from the person entitled to exercise the Option and
- ii. Full payment for the shares with respect to which the Option is exercised.

Options will become exercisable in part or whole. The unexercised portion of the Option will continue to be available to the Optionee or the nominee, for exercise, in case of specified circumstances such as death, disability, etc. up to such time frame as provided for in the stock option agreement.

- b. Exercise of options in the case of separation of an Employee from the Company

- i. In the event of separation of an employee from the company due to reasons of permanent and total disability of the Optionee, the Optionee may exercise his or her Option both vested as well as unvested immediately after the date of permanent and total disability but in no event later than two months from the date of separation from employment.

- ii. In the event of death of an employee while in employment with the Company, the Options granted both vested and unvested may be exercised by the Optionee's nominee immediately after, but in no event later than two months from the date of Optionee's death.

- iii. In the event of termination of employment for reasons of misconduct, all options including those, which are vested but not exercised at the time of termination of employment, shall expire and stand terminated with effect from the date of such termination.

iv. In the event of resignation from employment for reasons of normal retirement or an early retirement specifically approved by the company, the Options granted both vested and unvested may be exercised by the Optionee's nominee immediately after, but in no event later than two months from the date of Optionee's retirement.

v. In the event of resignation, all Options, which are not vested on the date of submission of resignation, shall expire and stand terminated with effect from that date. However, all options which has already been vested as on that date shall be exercised by the employee immediately but not later than 7 days from the date of resignation.

vi. In the event of abandonment of service by an Optionee without company's consent, all Options including those, which are vested but were not exercised at the time of abandonment of service, shall stand terminated with immediate effect. The date of abandonment of an employee shall be decided by the Company at its sole discretion which decision shall be binding on all concerned.

c. Breach of the policies of the Company or the terms of employment

In the event of breach of the policies of the company or the terms of employment by the Optionee, during the term of his employment, all options, including those which are vested but not exercised at the time of such breach shall expire and stand terminated with effect from the date of such breach.

## **16. CONSEQUENCE OF FAILURE TO EXERCISE OPTION**

The amount payable by the employee, if any, at the time of grant of Option:

- a. may be forfeited by the company if the Option is not exercised by the employee within the exercise period; or
- b. the amount may be refunded to the employee if the Options are not vested due to non-fulfilment of condition relating to vesting of option as per the Plan.

## **17. NON TRANSFERABILITY OF OPTIONS**

The Options granted under this Plan are not eligible to be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the life time of the Optionee, only by the Optionee.

## **18. TIME OF GRANTING OPTIONS**

The date of grant of an Option shall be the date specified in the "Option Agreement".

## **19. AMENDMENT AND TERMINATION OF THE PLAN**

a. Amendment and Termination:

The Board may, at any time amend, alter, suspend or terminate the Plan provided that such variation is not prejudicial to the interest of the option holder.

b. Shareholder approval:

The Board shall obtain shareholder approval to vary the terms of the Plan offered but not yet exercised by the Employees, if such variation is not prejudicial to the interests of the Employees.

However, the Board shall be entitled to vary the terms of the Plan to meet any regulatory requirement without seeking shareholders' approval.

c. Effect of Amendment or Termination:

No amendment, alteration, suspension or termination of the Plan shall impair the rights of any Optionee.

**20. DISSOLUTION OR LIQUIDATION OF THE COMPANY:**

In the event of dissolution or liquidation of the Company, the Administrator shall notify each Optionee as soon as practicable prior to the effective date of such proposed transaction. The Administrator at its discretion may provide for an Optionee to have right to exercise his or her Option until 15 days prior to such transaction as to all of the Optioned Stock covered thereby, including shares as to which the Option would not otherwise be exercisable.

**21. CONDITIONS UPON ISSUANCE OF SHARES**

a. Legal Compliance:

Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such shares shall comply with Applicable Laws and shall be further subject to the approval of counsel for the Company with respect to such compliance.

b. Inability to obtain authority:

The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such shares as to which such requisite authority shall not have been obtained.

**22. RESERVATION OF SHARES**

The Company during the term of this Plan, shall as and when required, keep available such number of shares as part of its authorised share capital as shall be sufficient to satisfy the requirements of the Plan.

The block contains a handwritten signature in blue ink, which appears to read 'A. K. Choudhary', and a circular blue ink stamp. The stamp features a star on the left and the text 'Brainbees Solutions Limited' around the perimeter.