

ISF LIMITED
CIN: L74899DL1988PLC076648
Regd. Office: Plot No-13, KH. No.33/7, Village Amberhai, Pole No. J967,
Sector-19, Dwarka, New Delhi - 110077



EMPLOYEE STOCK OPTION PLAN 2023
(ESOP 2023)

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1. Name, Objective and Term of the Plan

- 1.1 This Employee Stock Option Plan shall be called ‘ISF Employee Stock Option Plan 2023’ (“**ISF ESOP 2023**”/ “**Plan**”).
- 1.2 The objectives of the ISF ESOP 2023 are to reward the Employees for association, dedication and contribution to the goals of the Company. The Company intends to use this Plan to attract and retain key talents working with the Company and to promote loyalty by way of rewarding their performance and motivate them to contribute to the overall corporate growth, profitability and to induce the sense of ownership in them towards the company. The Company views Employee Stock Options as instruments that would enable the Employees to get a share in the value, they create for the Company in the years to come.
- 1.3 The ISF ESOP 2023 is established with effect from 18th September, 2023 i.e., Date of Annual General Meeting to the Company at which shareholders of the Company has approved the plan by way of passing special resolution and shall continue to be in force until earlier of: -
- i. March 31, 2033; or
 - ii. The date all the Options reserved under the Plan are granted and exercised; or
 - iii. The date of termination, if any, of the Plan.

Thus, all the Employees meeting the eligibility criteria as may be determined by the Nomination and Remuneration Committee (*Designated as Compensation Committee*) from time to time and who may join the Company hereafter and till March 31, 2028 would also be entitled to the benefit under Plan.

- 1.4 The Board of Directors or the Nomination and Remuneration Committee of Board, as authorised, may, subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the ISF ESOP 2023. The Nomination and Remuneration Committee of the Board of Directors of the Company duly constituted in terms of Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements), 2015 (“Listing Regulations”) shall act as the Compensation Committee for administration of ISF ESOP 2023.
- 1.5 This document is not intended to provide any legal or taxation advice to the Option Grantee of ISF ESOP 2023 and such Employee should consult their own tax advisors before accepting the grant and / or vesting of the Equity Shares under the ISF ESOP 2023 Plan.

2. Definitions and Interpretation

2.1 Definitions

- i. “**Agreement**” means the Employee Stock Option Agreement, if any, entered in to between the Company and Employee, evidencing the terms and conditions of Options granted under ISF ESOP 2023. The Agreement is subject to the conditions of ISF ESOP 2023.
- ii. “**Applicable Law**” means every law relating to Employee Stock Options, to the extent applicable for the time being in force, including and without limitation to the Companies Act, 2013 and the rules framed thereunder, Securities and Exchange Board of India Act 1992, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended and re-enacted from time to time and includes any clarifications or circulars issued there under (“SEBI SBEB Regulations”), and all relevant tax, securities, exchange control or corporate laws of India, or amendments

thereof or of any relevant jurisdiction or of any Recognised Stock Exchange on which the Shares are listed or quoted.

- iii. **“Board”** means the Board of Directors of the Company.
- iv. **“Companies Act”** means the Companies Act, 2013 and rules made thereunder and include any statutory modifications or re-enactments thereof.
- v. **“Committee”** means the Committee constituted / reconstituted by the Board of Directors of the Company from time to time, by whatever name called, as per the requirements of Applicable Laws, to administer and supervise the ISF ESOP 2023 and other employee benefit plans, if any, comprising of such members of the Board as provided under Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) 2015, as amended from time to time, and having such powers as specified under the SEBI (SBEB) & SE Regulations 2021, read with powers specified in this ISF ESOP 2023. The Nomination and Remuneration Committee of the Board of Directors of the Company shall act as the Compensation Committee for the purposes of ISF ESOP 2023.
- vi. **“Company”** means ‘ISF Limited’ (CIN: L74899DL1988PLC076648) a Company incorporated and registered under the Companies Act, 1956, having its Registered office at Plot No-13, KH.No.33/7, Village Amberhai, Pole No. J967, Sector-19, Dwarka, New Delhi -110077.
- vii. **“Company Policies/ Terms of Employment”** means the Company’s policies for employees and the terms of employment as contained in the employment letter / contract and the Company handbook, which includes provisions for securing confidentiality, non-compete and non-poaching of other Employees and customers.
- viii. **“Director”** means a member of the Board of the Company.
- ix. **“Eligibility Criteria”** means the criteria as may be determined from time to time by the Nomination & Remuneration Committee for granting the Employee Stock Options to the Employees.
- x. **“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 or member of the promoter group, but excluding an independent director; or
 - iii. an employee as defined in sub-clauses (i) or (ii), of a group company including subsidiary 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 or a person belonging to the promoter group; or
- b. a director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than 10% (Ten) per cent of the outstanding equity shares of the company;

- xi. **“Employee Stock Option”** means option granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the Shares underlying the Option offered by the Company at a pre-determined price.
- xii. **“Equity Shares”** means fully paid-up Equity Shares of the Company having a face value of Rs.1/- (Rupees One Only) each.
- xiii. **“ISF ESOP 2023”** means the ‘ISF Employee Stock Option Plan 2023’ under which the Company is authorized to grant Options to the Employees.
- 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 ISF ESOP 2023, in accordance with the procedure laid down by the Company for Exercise of Options.
- xv. **“Exercise Period”** means such time period after vesting within which the Employee should exercise the Options vested in him in pursuance of the ISF ESOP 2023.
- xvi. **“Exercise Price”** means the price payable by an Employee in order to exercise the Options granted to him in pursuance of the ISF ESOP 2023.
- xvii. **“Grant”** means issue of Options to the Employees under the ISF ESOP 2023.
- xviii. **“Grant Date”** means the date of the meeting of the Committee in which Grant of Options to the Employees is approved.
- xix. **“Independent Director”** means a Director within the meaning of Section 149 (6) of the Companies Act read with Regulation 16 (1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- xx. **“Market Price”** means the latest available closing price on the Stock Exchange on which the Shares of the Company are listed, immediately prior to the Relevant Date.
- xxi. **“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 or Company Policies as determined by the Committee after giving the Employee and opportunity of being heard, wherever required:
 - a. committing of any act of misconduct warranting summary termination under law; or any act warranting summary termination under law; or
 - b. conduct which in the reasonable opinion of the Committee amounts to a serious breach by an Option Grantee of the obligation of trust and confidence to his employer; or
 - c. a finding by the Committee that an Employee has committed any material or consistent breach of any of the terms or conditions of the Employee service agreement including any wilful neglect of or refusal to carry out any of his duties or to comply with any instruction given to him by the Committee; or
 - d. conviction of any criminal offence or having been charged with any criminal offence which, in the reasonable opinion of the Company will result in conviction; or
 - e. being disqualified from holding office in the Company or any other company under any legislation or being disqualified or disbarred from membership of, or being subject to any serious disciplinary action by, any regulatory body

- within the industry, which undermines the confidence of the Committee in the individual's continued employment; or
- f. having acted or attempted to act in any way which in the opinion of the Committee has brought or could bring the Company or any other member of the group into disrepute or discredit and
 - g. Any other act or omission not included above, but defined as misconduct in the Company's rules or Employee handbook and / or employment agreement and/or appointment letter.
- xxii. "**Option**" means Employee Stock Option within the meaning of the Plan.
- xxiii. "**Option Grantee**" means an Employee who has been granted an Option in pursuance of ISF ESOP 2023 and who has accepted such Grant as required under the Plan and shall deem to include nominee/legal heir of an Option Grantee in case of his/her death to the extent provisions of the Plan are applicable to such nominee/ legal heir etc.
- xxiv. "**Permanent Incapacity**" means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Committee based on a certificate of a medical expert identified by the Company.
- xxv. "**Plan**" means and refers to ISF ESOP 2023, within the meaning of this Employee Stock Option Plan 2023.
- xxvi. "**Promoter**" shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended.
- xxvii. "**Promoter Group**" shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended. Provided that where the Promoter or Promoter Group of the Company is a body corporate, the Promoters of that body corporate shall also be deemed to be Promoters of the Company.
- xxviii. "**Relevant Date**" means any of the following dates as the context requires:
- a. in the case of Grant, the date of the meeting of the Committee on which the Grant is made; or
 - b. in the case of Exercise, the date on which the notice of Exercise is given to the Company by the Option Grantee
- xxix. "**Retirement**" means retirement as per the rules of the Company.
- xxx. "**SEBI SBEB Regulations**" means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended and re-enacted from time to time, and includes any clarifications or circulars issued thereunder.
- xxxi. "**Recognised Stock Exchange**" means the BSE Limited (BSE), or any other recognized stock exchanges in India on which the Company's Shares are listed.
- 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. “**Vesting**” means earning by the Option Grantee, of the right to Exercise the Options granted to him/her in pursuance of the ISF ESOP 2023.
- xxxiv. “**Vesting Condition**” means any condition subject to which the Options granted would vest in an Option Grantee.
- xxxv. “**Vesting Period**” means the period during which the vesting of the Option granted to the Employee, in pursuance of the ISF ESOP 2023, takes place.
- xxxvi. “**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.

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; and
- e. a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference;
- f. for the purposes of any calculation under this Plan, any fraction will be rounded up or down to the nearest integer;
- g. reference to any statute, rules, regulations, or notification shall include any amendment, modification, substitution or re-enactment thereof;
- h. the terms defined above, including their grammatical variations and cognate expressions, shall, unless repugnant to the context or meaning thereof, for the purposes of this plan have the meanings herein specified and terms not defined above shall have the meanings as defined in the Companies Act or Applicable Laws including SEBI (SBEB & SE) Regulations, as the context requires.

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

3. Authority and Ceiling

- 3.1 The Committee and Board of Directors at their respective meetings held on 04th August 2023 read with approval of the Shareholders by way of Special Resolution dated September 18, 2023 approved to issue employees stock options to the Employees under ISF ESOP 2023, not more than 47,50,000 (Forty Seven Lakh and Fifty Thousand) Employee Stock Options convertible in to not more than 47,50,000 (Forty Seven Lakh and Fifty Thousand) Equity Shares having a face value of Rs.1/- (Rupees One Only) each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the Company, in accordance with the terms and conditions as may be decided by the Committee in accordance with the provisions of this Plan, SEBI SBEB & SE Regulations and in due compliance with other Applicable Laws under the Plan.

- 3.2 The maximum number of options that shall be granted to an eligible employee, shall vary depending upon the designation and the appraisal / assessment process, however the Nomination and Remuneration Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to each employee within this ceiling.
- 3.3 Where shares are allotted consequent upon exercise of an Employee Stock Option under the ESOP 2023, the maximum number of Shares that can be allotted under ESOP 2023 as referred to in sub-clause 3.1 above shall stand reduced to the extent of such Shares allotted.
- 3.4 If an Option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options pool and shall become available for future grants, subject to compliance with the provisions of the Applicable Laws.
- 3.5 In case of a share consolidation where the face value of the Shares of the Company is increased above Rs. 1/-, the maximum number of Shares available for being granted under ISF ESOP 2023 shall stand modified accordingly, so as to ensure that the cumulative face value (number of shares X face value per share) prior to such consolidation remains unchanged after the share consolidation. Thus, for example, if the prevailing face value of each Share is Re.1 per Share and the revised face value after the Share consolidation is Rs.2 per Share, the total number of Shares available under Plan would be (Shares reserved at Sub-Clause 3.1/ 2) Shares of Rs. 2 each.
- 3.6 Prior approval of the shareholders of the Company in the general meeting by passing special resolution shall be obtained in case the Grant of the Options to any identified Employee, in any one financial year, is equal to or exceeding 1% (one percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of the Option.

4. Administration

- 4.1 The ISF ESOP 2023 shall be administered by the Committee. All questions of interpretation of the ISF ESOP 2023 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the ISF ESOP 2023.
- 4.2 Neither the Committee nor any of its members shall be liable for any actions taken in good faith for the implementation of the ESOP 2023.
- 4.3 The Committee shall in accordance with this Plan and Applicable Laws determine the following:
 - a. The quantum of the Employee Stock Options to be granted under the ISF ESOP 2023 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 specific 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;
 - 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 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 the price of Option shall be adjusted in a manner such that total value of the Option remains the same after the Vesting corporate action; and
- (ii) the 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. Determine the procedure for buy-back of Options granted under the Plan if to be undertaken at any time by the Company, and the applicable terms and conditions, including:
 - 1. permissible sources of financing for buy-back;
 - 2. any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
 - 3. limits upon quantum of Options that the Company may buy-back in a financial year;
- j. Formulate suitable policies and procedures to ensure that there is no violation of Applicable Laws, in relation to this Plan by the Company and the Employees
- k. The procedure for funding for Exercise of Options, as permitted under the Applicable Laws; and
- l. approve forms, writings and/or agreements for use in pursuance of the Plan.

4.4 The Committee shall frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the Company, and the Employees, as applicable. The Option Grantees shall adhere to such policies and procedures in respect to exercise of options under the Scheme.

4.5 The Committee shall have a right to delegate or authorize any officer of the Company, if required and subject to the extent allowed under the Applicable Laws, such power to do specific acts and things without limitation to the listing of Shares on recognized Stock Exchange(s) arising pursuant to Exercise of Vested Options, execution and submission of various document(s) to recognized Stock Exchange(s) or any other institution as may be deemed necessary in connection with the Plan.

5. Eligibility and Applicability

5.1 Only the Employees within the meaning of this Plan are eligible for being granted Stock Options under ISF ESOP 2023. The specific Employees to whom the Stock Options would be granted and their Eligibility Criteria would be determined by the Committee.

- 5.2 The Plan shall be applicable to the Company and any successor Company thereof and may be granted to the Employees of the Company, as determined by the Committee at its sole discretion.
- 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 Committee 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 Committee 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 letter of Grant containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Laws.

6.2 Acceptance of the Grant

- a. Any Employee who wishes to accept the Grant made under this ISF ESOP 2023 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 (Sixty) days from the date of the Grant, as specified in the letter of Grant. On receipt by the Company of the signed acceptance, the Employee will become an Option Grantee.
- b. Any 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 Nomination and Remuneration Committee determines otherwise.
- c. Upon acceptance of the Grant in the manner described above, the Employee henceforth as a Grantee, shall be bound by the terms, conditions and restrictions of the ISF ESOP 2023 and the Grant document. The Grantee's acceptance of the Grant of Options under the ISF ESOP 2023, within the time period provided, shall constitute an agreement between the Grantee and the Company as to the terms of this ESOP 2023 and the Grant document.

7. Vesting Schedule and Vesting Conditions

- 7.1 Options granted under ISF ESOP 2023 shall vest at the end of 1 (one) year from the date of Grant subject to maximum period of 5 years.
- 7.2 20% Options would vest at the end of first year from the date of grant of such Options, and balance would vest at the end of each subsequent year from the date of grant of such Options; in equal percentage of 20% of Total balance options granted to each employee as per the ISF ESOP 2023 Policy.

Provided further that in the event of death or Permanent Incapacity, the minimum vesting period of One (1) year shall not be applicable and in such instances, the Options shall vest on the date of such event.

- 7.3 Vesting of the Options would be subject to continued employment with the Company, in addition to this, the Committee may also specify certain performance criteria subject to satisfaction of which the Options would vest and / or lock in period subject to which the

Options would vest.

- 7.4 As a prerequisite for a valid vesting, an Option Grantee is required to be in employment or service of the Company on the date of Vesting and must neither be serving his notice for termination of employment/ service, nor 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 and such Vesting shall be determined accordingly.
- 7.5 The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document(s) given to the Option Grantee at the time of grant of Options.
- 7.6 Vesting of the 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 Committee

8. Exercise

8.1 Exercise Price

- a. In case of grant of option Exercise price shall be lesser than 90% of the Market Price w.r.t. the date of Grant; However, the Exercise Price shall not be less than the face value of the shares.
- b. Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company or by way of electronic payment like National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), Immediate Payment Service (IMPS), etc., or in such other manner and subject to such procedures as the Committee may decide from time to time but not in cash.

8.2 Exercise Period

a. Exercise while in employment:

- i. The Exercise period would commence from the date of vesting and will expire on completion of 2 (Two) years from the date of respective vesting or such other period as may be decided by the Nomination and Remuneration Committee, from time to time.

b. Exercise in case of separation from employment:

Subject to maximum Exercise Period stated above, the Vested Options can be exercised as under:

Sl. No.	Events	Vested Options	Unvested Options
1.	Resignation (Other than due to misconduct)	All the Vested Options as on the date of submission of resignation shall be exercisable by the Option Grantee on or before his/her last working day in the Company.	All the Unvested Options as on date of submission of resignation shall stand cancelled with effect from date of submission of resignation
2.	Termination (Other than due to misconduct/ abandonment)	All the Vested Options as on the date of termination shall be exercisable by the Option Grantee within a period of 90 days from his/ her termination	All the Unvested Options as on date of termination shall stand cancelled with effect from date such termination.

3.	Termination due to misconduct/ abandonment	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.
4.	Retirement	All the Vested Options as on the date of retirement shall be exercisable by the Option Grantee within the period of 90 days from his/ her last working day in the Company.	All Unvested Options on the date of retirement shall stand cancelled with effect from date of retirement.
5.	Death	All Vested Options may be exercised by the Option Grantee's nominee or legal heir within a maximum period of 2 (Two) years from the date of Vesting of Options.	All the Unvested Options as on date of death shall, vest immediately in the Option Grantee's nominee or legal heir and can be exercised in the manner defined for Vested Options.
6.	Permanent Incapacity	All Vested Options may be exercised by the Option Grantee's or his/ her nominee or legal heir, as the case may be, within a maximum period of 2 (Two) years from the date of Vesting of Options.	All the Unvested Options as on date of incurring of such Permanent Incapacity shall vest immediately in the Option Grantee or his/ her nominee or legal heir, as the case may be and can be exercised in the manner defined for Vested Options.
7.	Any other event not specified above	As decided by the Committee (on case-to-case basis) and such decision shall be final.	As decided by the Committee (on case-to-case basis) and such decision shall be final.

8.3 The Options shall be deemed to have been exercised when an Employee makes an application in writing to the Company or by any other means as decided by the Committee, for the issuance of the Equity Shares against the Options vested in him/her, subject to payment of Exercise Price and compliance of other requisite conditions of Exercise.

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

8.5 Lapse of Options

The 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.

9. Lock-in

The Shares arising out of Exercise of Vested Options shall be subject to lock in period for 36 Months from the date of allotment of such Shares under ISF ESOP 2023.

Provided that the Shares so allotted out of such Exercise of options, the same cannot be sold for such further period or intermittently as required under the terms of Code of Conduct for

Prevention of Insider Trading of the Company framed under Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

10. Exit route in case of de-listing

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

11. Restriction on transfer of Options

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

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

11.3 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/ Permanent Incapacity of the Option Grantee, in which case provisions at sub-clause 8.2 (b) would apply.

12. Other Terms and Conditions

12.1 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 the Employee Stock Options granted, till Shares underlying such Employee Stock Options are issued by the Company on exercise of such Employee Stock Options.

12.2 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Company (for example, bonus shares, rights shares, dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Option Grantee exercises the Employee Stock Option and becomes a registered holder of the Shares of the Company.

12.3 If the Company issues bonus shares or rights shares, the Option Grantee shall not be eligible for the bonus or rights shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with clause 4.3(f) of ISF ESOP 2023.

13. Taxation

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

13.2 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.

13.3 The Company shall have no obligation to deliver the 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 For the purpose of efficient implementation and administration of the Plan but subject to the Applicable laws and prior approval of the shareholders of the Company by way of a special resolution, the Committee may at any time amend, alter, vary the terms the terms and conditions in respect of existing or any new grant of Options provided that the variation is not prejudicial to the interest of the Employees.

Provided that the Company shall be entitled to vary the terms of the Plan to meet any regulatory requirement without seeking the shareholders' approval by way of a special resolution.

- 14.2 The Company may also re-price the Options which are not exercised, whether or not they have vested, if the Plan is rendered unattractive due to fall in the value of the Shares, provided that the Company ensures that such re-pricing shall not be detrimental to the interest of the Option Grantee and subject to the approval of the shareholders by way of a special resolution for such re-pricing.

15. Miscellaneous

15.1 Government Regulations

The ISF ESOP 2023 shall be subject to all Applicable Laws and approvals from government Authorities (if any) to the extent applicable. The Grant of the Options and allotment of the Shares to the Employees under ISF ESOP 2023 shall be subject to the Company requiring the Employees to comply with all Applicable Laws.

15.2 Inability to obtain authority

The inability of the Company to obtain approval / authority from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful allotment, 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 allot, issue or sell such Shares.

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

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

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

15.6 General Risks:

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

16. Accounting and Disclosures

- 16.1 The Company shall follow the laws / regulations applicable to accounting and disclosure related to the Employee Stock Options and Accounting Standard IND AS 102 on Share based payments and / or any relevant accounting standards as may be prescribed by the Central Government in terms of Section 133 of the Companies Act and / or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (“ICAI”) from time to time, including any guidance note on Accounting for employee share-based payments issued in that regard from time to time and the disclosure requirements prescribed therein, in compliance with relevant provisions of Regulation 15 of SEBI SBEB & SE Regulations
- 16.2 The Company shall make disclosures to the prospective Option Grantees containing Statement of risks, information about the Company and salient features of the ISF ESOP 2023 in a format as prescribed under SEBI SBEB & SE Regulations.
- 16.3 The Company shall disclose details of Grant, Vest, Exercise and lapse of the Employee Stock Options in the Directors’ Report or in an annexure thereof as prescribed under SEBI SBEB & SE Regulations or any other Applicable Laws as in force.

17. Certificate from Secretarial Auditor

The Board/ Committee shall at each annual general meeting place before the Shareholders a certificate from the Secretarial Auditors of the Company that the Plan has been implemented in accordance with the SEBI SBEB & SE Regulations and in accordance with the resolution of the Company in the general meeting

18. Governing Laws

The terms and conditions of the ISF ESOP 2023 shall be governed by and construed in accordance with the Applicable Laws including the Foreign Exchange Laws mentioned below as and when applicable)

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, Exercise of Options and issue of Shares thereof.

19. Notices

- 19.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of ISF ESOP 2023 shall be in writing. The communications shall be made by the Company in any one or more of the following ways:
- i. Sending communication(s) to the address of the Option Grantee available in the records of the Company; and/ or
 - ii. Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; and/ or
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 in case of cessation of employment at the email address provided by the Option Grantee.

19.2 All notices of communication to be given by an Option Grantee to the Company in respect of ISF ESOP 2023 shall be sent to the address mentioned below:

Manisha Saxena

Company Secretary and Compliance Officer

ISF Limited

Registered Office: Plot No-13, KH.No.33/7, Village Amberhai, Pole No. J967, Sector-19, Dwarka, Delhi South 110077.

Correspondence Address: A-96, Sector-65 Noida UP 201301

E-mail: cs@isflimited.in

20. Nomination

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

21. Jurisdiction

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

20.2 Nothing in this Sub-clause will however limit the right of the Company to bring proceedings against any Employee in connection with this ISF ESOP 2023:

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

21. Listing of the Shares:

The Company shall not Grant Options under the Plan unless it obtains in- principle approval from the Stock Exchanges where it is listed.

Subject to the approval of the Stock Exchanges, the Shares issued and allotted on Exercise of the Options shall be listed on the recognized Stock Exchanges on which the Shares of the Company are listed or proposed to be additionally listed.

22. Severability

In the event any one or more of the provisions contained in this ISF ESOP 2023 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 ISF ESOP 2023, but ESOP ISF 2023 shall be construed as if such invalid, illegal, or unenforceable provision had never been set forth herein, and the ISF ESOP 2023 shall be carried out as nearly as possible according to its original intent and terms.

23. Confidentiality

23.1 An Option Grantee must keep the details of the ISF ESOP 2023 and all other document in connection thereto strictly confidential and must not disclose the details with any of his/her 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 Committee shall have the authority to deal with such cases as it may deem fit.

- 23.2 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---