



SHADOWFAX TECHNOLOGIES LIMITED
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PLAN –2016 [SFX ESOP 2016]

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*[ADOPTED VIDE BOARD'S RESOLUTION DATED DECEMBER 14, 2016 AND MEMBERS'
RESOLUTION DATED DECEMBER 15, 2016]*

*[AMENDED VIDE BOARD'S RESOLUTION DATED JANUARY 17, 2019 AND MEMBERS'
RESOLUTION DATED FEBRUARY 15, 2019]*

*[AMENDED VIDE BOARD'S RESOLUTION DATED NOVEMBER 13, 2020 AND MEMBERS'
RESOLUTION DATED DECEMBER 24, 2020]*

*[AMENDED VIDE BOARD'S RESOLUTION DATED MARCH 14, 2024 AND MEMBERS'
RESOLUTION DATED MARCH 28, 2024]*

*[AMENDED VIDE BOARD'S RESOLUTION DATED JANUARY 02,2025 AND MEMBERS'
RESOLUTION DATED JANUARY 15, 2025]*

*[AMENDED VIDE BOARD'S RESOLUTION DATED JUNE 23, 2025 AND MEMBERS'
RESOLUTION DATED JUNE 24, 2025]*

*[AMENDED VIDE BOARD'S RESOLUTION DATED APRIL 01, 2026 AND MEMBERS'
RESOLUTION DATED MAY 07, 2026]*

SHADOWFAX TECHNOLOGIES LIMITED
EMPLOYEE STOCK OPTION PLAN – 2016 [SFX ESOP 2016]

1. Short title, extent and commencement:

- 1.1 This Employee Stock Option Scheme (hereinafter referred to as “**SFX ESOP 2016**” / “**Scheme**” / “**ESOP Plan**”)
- 1.2 This Scheme was approved by a resolution of the Board at its meeting held on April 01, 2026 and by the shareholders of the Company through postal ballot dated May 07, 2026 and is accordance with the Companies Act, 2013 and the rules thereunder, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SEBI SBEB Regulations**”), each as amended and / or any regulations prescribed by any other regulatory authority as applicable to the Company and shall be subject to any modifications or amendments or re-enactments thereto.
- 1.3 The Scheme applies only to Employees (as defined herein below).
- 1.4 The Scheme shall be deemed to come into force from date of receipt of the approval from the Shareholders in the Shareholders’ Meeting and shall continue to be in force until the date on which all of the options available for issuance as per the approval granted by the Shareholders have been vested and exercised.

2. Definitions and Interpretations

- 2.1 The terms defined in this section shall, for all purposes of this Scheme, have the meanings herein specified. Under the Scheme, where the context so admits, the masculine shall include the feminine and the singular shall include the plural.
 - a. “**Act**” means the Companies Act, 2013 and shall include all rules, regulations, and sub-ordinate legislation made thereunder, as amended from time to time;
 - b. “**Applicable Law(s)**” means every law relating to Employee Stock Options, to the extent applicable, including and without limitation to the Companies Act 2013 including all rules and regulations made thereunder, all relevant regulations of the Securities and Exchange Board of India and foreign exchange management rules and regulations particularly in connection with or after Listing, including Securities and Exchange Board of India Act 1992, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“**ICDR Regulations**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), the SBEB Regulations, each as amended and enacted from time to time read with all circulars and notifications issued thereunder and all the relevant tax, securities, foreign exchange control or corporate laws or amendments thereof including any circular, notification issued thereunder by regulatory authorities of India or of any relevant jurisdiction or of any Stock Exchange on which the Shares may be listed or quoted.;
 - c. “**Board**” means the board of directors of the Company;
 - d. “**Cause**” means the occurrence of any of the following event:
 - i. any act or omission by an Employee(s) amounting to misconduct, breach of employment contract/appointment letter;

- ii. theft, fraud, gross negligence, unethical practices with respect to the Company;
 - iii. failure to conform with the policies of the Company;
 - iv. wilful suppression of material information or any other non-compliance or violation of any Applicable Law(s);
 - v. any misconduct under Applicable Law(s);
 - vi. any conviction of any criminal offence involving moral turpitude;
 - vii. engaging directly or indirectly, in any activity similar to or competing with the business or acquiring an interest in any entity (except to the extent of 1% (One Percent) of the total paid-up share capital of a public listed company) whose primary business is similar to competing with the business or rendering service similar to or competing with the business;
 - viii. wilful damage or loss of property of the Company;
 - ix. taking or giving bribes or any illegal gratification;
 - x. any act or conduct of any manner which would lead to, with any other Employee(s) or client of the Company, harassment or discrimination on the basis of gender, racial, religious belief, age, physical or mental disability, nationality, or marital status;
 - xi. any other act which is detrimental to the interest of the Company.
- e. **“Company”** means Shadowfax Technologies Limited, a company incorporated under the provisions of the Companies Act, 2013, and currently having its registered office at 3rd Floor, Shilpitha Tech Park, Sy No. 55/3 & 55/4, Outer Ring Road, Devarabisanahalli Village, Bellandur, Varthur Hobli, Bangalore -560103, Karnataka, India
- f. **“Committee” or “Nomination and Remuneration Committee”** means the Committee of the Board of Directors constituted as per Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended, for the administration and superintendence of this Scheme;
- g. **“Eligibility Criteria”** means the criteria as may be determined, from time to time, by the Committee for granting the Options to the Employees.
- h. **“Employee”** means
- i) an employee of the Company who is exclusively working in India or out of 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 on the Board; or
 - iii) an employee as defined in clauses (i) or (ii) of a group company of the Company including subsidiary or its associate company, in India or outside India, but does not include:
 - 1. an employee who is a Promoter or a person belonging to the Promoter Group; or

2. a director of the Company who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.
- i. **“Equity Share(s)”** or **“Share(s)”** means issued and fully paid equity share of the Company having a face value of Rs. 10 (Rupees ten Only) each and each carrying 1 (one) vote and all other (if any) equity share(s) or stock in the Equity Share Capital resulting from any subdivision, consolidation or reclassification of the Equity Share Capital or conversion, exercise or exchange of any preference share(s) or any other security;
- j. **“Exercise”**, in relation to Options, means, making of an application by an Employee to the Company for issue of Shares against vested Options in pursuance of SFX ESOP 2016;
- k. **“Exercise Notice”** means the notice by which an Employee requests the Company to allot Shares pursuant to the Options vested in him under the SFX ESOP 2016;
- l. **“Exercise Period”** means a period of time after Vesting within which an Employee should Exercise his/her right to apply for Shares against the vested Options in pursuance of the SFX ESOP 2016 as may be determined by the Committee at the time of Grant of Options;
- m. **“Exercise Price”** means the price payable by the Employee for exercising the Options granted to him in pursuance of SFX ESOP 2016 as may be determined by the Committee; The Exercise price shall not be less than the face value of the Equity shares
- n. **“Fair Market Value”** shall mean: a) when the Company is unlisted, the value of an Equity Share of the Company as determined by an independent valuer, as required by Applicable Laws for the time being in force and appointed by the Company from time to time; b) when the Company is listed, it shall be the latest available closing price on a recognized stock exchange on which the Equity Shares of the company are listed on the date immediately prior to the relevant date.
Explanation—If such shares are listed on more than one recognized stock exchange, then the closing price on the recognized stock exchange having higher trading volume shall be considered as the fair market price. The value which the Board/Committee accepts as Fair Market Value in accordance with the forgoing norms shall be final and binding on all parties.
- o. **“Grant”** means the process whereby the Committee / Board issue a specified number of Options to the Employees under SFX ESOP 2016;
“Grant Date”, with respect to any Options means the date on which the Board/ Committee approves the Grant of such Options pursuant to the SFX ESOP 2016
Explanation—For accounting purposes, the grant date will be determined in accordance with applicable accounting standards;
- p. **“Grantee”** means an Employee who has been granted an Option under the Scheme and signed his/her acceptance thereof by way of an Letter of Grant in accordance with the terms and conditions set forth in the Scheme;
- q. **“Letter of Grant”** means the letter issued by the Company intimating an Employee about the Grant and evidencing the terms and conditions upon which they may be exercised and sold.
- r. **“Option”** means the option given to an Employee that gives him a right to purchase or subscribe at a future date, the Shares offered by the Company, directly or indirectly, at a pre-determined price. This is a right but not an obligation granted to an Employee under the Scheme to apply for and be allotted Shares of the Company at the Exercise Price, during or within the

Exercise Period. Each Option granted would represent the right to apply for 1 (one) Share of the Company.

- s. **“Promoter”** shall have the same meaning assigned to it under ICDR Regulations, regulation 2(1)(cc) of the SEBI SBEB Regulations, as amended and as defined under Section 2(69) of the Companies Act;
- t. **“Promoter Group”** shall have the same meaning assigned to it under the ICDR Regulations and regulation 2(1)(dd) of the SEBI SBEB Regulations, as amended;
- u. **“Performance Condition”** means conditions required to be met along with the time condition for Options to Vest. These performance conditions shall be specified in the Letter of Grant and may vary for different Employees at the discretion of the Committee;
- v. **“Permanent Incapacity”** means any incapacity of whatsoever nature, be it physical, mental or otherwise, which permanently 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, subject to determination by the Committee based on a certificate of a medical expert identified by the Committee.
- w. **“Retirement”** means retirement or superannuation as per the rules of the Company.
- x. **“Stock Exchange”** means BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), or any other recognized Stock Exchange in India on which the Company’s Shares are listed or to be listed in future.;
- y. **“Subsidiary”** means any present or future subsidiary as defined under the Companies Act, 2013, whether incorporated in India or outside India;
- z. **“Unvested Option”** means an Option in respect of which the relevant Vesting Conditions have not been satisfied and as such, the Grantee has not become eligible to exercise the Option;
- aa. **“Vesting”** means the process by which an Employee becomes entitled to receive the benefit of a Grant pursuant to the SFX ESOP 2016;
- bb. **“Vesting Period”** means the period during which the Vesting of the Option granted to the Grantee, in pursuance of SFX ESOP 2016, takes place.

All other expressions unless defined herein shall have the same meaning as have been assigned to them under the Companies Act, 2013, or the SEBI SBEB Regulations, including any statutory modification or re-enactment thereof, or the Applicable Law as the case may be.

2.2 Interpretations

In this document, unless otherwise stated or intention appears:

- a. words denoting the singular shall include the plural and vice versa;
- b. The words importing a gender include every gender;
- c. heading and bold type face are only for convenience and shall not affect the interpretation hereof;

- d. references to the word “include” or “including” shall be construed without limitation; and
- e. references to any statute or statutory provision or rule or regulation shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted.

3. Purpose

The Scheme is intended to:

- 1. Reward the Employees for their performance and to motivate them to contribute to the growth and profitability of the Company;
- 2. Encourage Employees to continue contributing to the success and growth.
- 3. Facilitate Employee, through stock ownership to acquire greater proprietary stake in success and growth of the organization.
- 4. Reward Employee for unusual contribution.
- 5. Provide additional deferred reward to Employees.

4. Quantum of shares subject to the ESOP Scheme:

- 4.1 The maximum number of options available for Grant under the SFX ESOP 2016 shall be 5,30,38,365 (ESOP Pool Size)
- 4.2 The number of Options under the ESOP Scheme, after giving effect to the Options exercised up to March 31, 2026 is 1,70,40,012, of which 20,10,513 are ungranted.
- 4.3 Each Option granted under this ESOP Scheme shall entitle the Grantee thereof for one equity share of a face value of Rs.10/- each, of the Company on such terms and conditions as the Committee may determine at the time of Grant and which will be specified in the Letter of Grant.
- 4.4 Where Shares are issued consequent upon exercise of an Options under the Scheme, the maximum number of Shares that are subject to Options referred above shall stand reduced to the extent of such Shares issued.
- 4.5 If any Option granted under the Scheme expires, lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be available for further grant under the Scheme unless otherwise determined by the Committee, subject to compliance with all Applicable Laws. The timelines for the re-issuance of lapsed, forfeited or surrendered options will be determined by the Committee.

(Note: The Company had applied for and obtained in-principle approval from the stock exchanges on March 9, 2026 (“In-principle approval”), wherein the outstanding options referred to in Clause 4.2 above were 4,19,51,736. Subsequent to the receipt of the In-principle approval, the Company amended the SFX ESOP 2016 on May 07, 2026 and reduced 2,49,11,724 options that were exercised between June 24, 2025 to March 31, 2026, in accordance with Clause 4.4.)

5. Scheme Administration

5.1 The Scheme shall be administered by the Nomination & Remuneration Committee of the Board (“Committee”). All questions of interpretation of the Scheme or any Options granted thereunder shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Scheme or in any Options issued thereunder

The Board shall have the power to reconstitute the Nomination & Remuneration Committee from time to time.

- a) The Committee shall, inter alia, formulate the detailed terms and conditions of the Scheme which shall include the provisions as specified under Applicable Law and shall ensure due implementation of the same.
- b) The Committee shall have power to administer the Scheme, prescribe or amend any rule and correct any defects in the Scheme.
- c) The administration of the Scheme shall include, but not be limited to determination of the following as per provisions of the Scheme and Applicable Laws:
 - 1) To decide upon issue/cancellation of the Options which were lapsed, forfeited or surrendered under any provisions of the Scheme from re-granting.
 - 2) To increase or decrease the pool of Options to be granted under Scheme.
 - 3) To increase or decrease the pool of Shares to be issued under Scheme.
 - 4) To identify the Employees eligible to participate in the Scheme.
 - 5) To finalize the Eligibility Criteria for grant of Options.
 - 6) To determine the Employees eligible for grant and Vesting of Options.
 - 7) To determine the number of Options to be granted to each Grantee and in aggregate subject to the pool of Options of the Scheme.
 - 8) To decide upon granting of Options to new employees.
 - 9) To determine the Grant Date.
 - 10) To determine the Exercise Price.
 - 11) To extend the period of acceptance of Grant.
 - 12) To decide the Vesting period subject to minimum and maximum period of vesting as stated in Scheme.
 - 13) To determine the vesting schedule for each Grantee.
 - 14) To finalize the Eligibility Criteria for vesting of Options.
 - 15) To decide upon the mode and manner of Exercise.
 - 16) To decide upon treatment of vested and Unvested Options in cases of cessation of employment as specified in the Scheme.
 - 17) To decide upon the treatment of vested and Unvested Options in the event of corporate actions taking into consideration the following:
 - a. the number and price of Options shall be adjusted in a manner such that the total value to the Grantee of the Options remains the same after the corporate action;
 - b. the vesting period and the life of Options shall be left unaltered as far as possible to protect the rights of the Grantee who has been granted such Options.
 - 18) To cancel all or any granted Options in accordance with the Scheme.
 - 19) To accelerate the Vesting of Options on a case to case basis, subject to completion of minimum 1 year of vesting from the date of Grant.
 - 20) To decide upon treatment of vested and Unvested Options in cases of dispute between the Grantee and Company.
 - 21) To finalize letters and other documents, if any, required to be issued under the Scheme.
 - 22) To re price the Options which are not exercised, whether or not they have been vested, if the Options rendered unattractive due to fall in the price of the Shares in the market.
 - 23) To establish, amend, suspend or waive such rules and regulations as it shall deem appropriate for the proper administration of the Scheme.
 - 24) To terminate the Scheme.
 - 25) To appoint such agents / consultants as it shall deem necessary for the proper administration of the Scheme.
 - 26) To determine or impose other conditions to the Grant of Options under the Scheme, as

- it may deem appropriate.
- 27) To frame suitable policies and procedure to ensure that there is no violation of securities laws, including the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 as amended, by the Company or the Employees.
 - 28) To determine, if any buy-back of vested Option(s) from the Eligible Employee(s) is to be undertaken by the Company, determining the terms and conditions of procedure for such buy-back including (i) permissible sources of financing for buy-back of such Vested Option(s); (ii) minimum financial thresholds to be maintained by the Company as per its last financial statements; and (iii) limits upon the quantum of Vested Option(s) that the Company may buy-back in a financial year.
 - 29) To determine the procedure for cashless exercise of Options, if deems fit.
 - 30) To decide and determine any other matter which is necessary or expedient for the proper implementation of the Scheme.

The powers and functions of the Committee can be specified, varied, altered or modified from time to time by the Board of Directors, subject to the rules and regulations as may be in force. The Board of Directors may further provide that the Committee shall exercise certain powers only after consultation with the Board of Directors and in such case, the said powers shall be exercised accordingly.

- d) Each Employee to participate in this Scheme shall be provided with the Letter of Grant.
- e) The Committee or such other person authorised by the Committee shall maintain such records and data as may be required to administer the Scheme and support with all relevant details of the Scheme.

6. Term of ESOP Plan and Option:

6.1 The ESOP Plan shall be effective from the date mentioned above and shall continue in effect unless terminated by the Committee / Board in accordance with the applicable laws.

6.2 Any such termination of the Scheme shall not affect Options already granted and such Options shall remain in full force and effect as if the Scheme had not been terminated unless mutually agreed otherwise between the Option Grantee and the Board/ the Company.

6.3 The term of each Option shall be stated in the Letter of Grant.

7 Eligibility and Applicability

7.1 Only Employees within the meaning of this Scheme are eligible for being granted Options under the Scheme. The specific Employees to whom the Option would be granted, and their Eligibility Criteria shall be determined by the Committee.

7.2 The Scheme shall be applicable to the Company or any successor Company thereof, Subsidiary(ies) and the Employees of the Company and its Subsidiary Company(ies) to the extent the Options granted under the Scheme, as determined by the Committee at its sole discretion. The Scheme shall be applicable to eligible Employees of a Subsidiary, in India or outside India.

7.3 Appraisal process for determining the eligibility of the Employees will be based on designation, period of service, performance linked parameters such as work performance, Company performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

7.4. Where the Eligible employee is a director nominated by an institution as its representative on the Board—

- (i) the contract or agreement entered into between the institution nominating its employee as the director of the Company and the director so appointed shall, inter alia, specify the following:-
 - a. whether the Grants by the Company under the Scheme can be accepted by the said Employee in his capacity as director of the Company;
 - b. that Grant if made to the director, shall not be renounced in favour of the nominating institution; and
 - c. the conditions subject to which fees, commissions, other incentives, etc. can be accepted by the director from the Company.
- (ii) the institution nominating its employee as a director of the Company shall file a copy of the contract or agreement with the Company, which shall, in turn file the copy with all the recognised stock exchanges on which its shares are listed.
- (iii) the director so appointed shall furnish a copy of the contract or agreement at the first Board meeting of the Company attended by him after his nomination.

8. Grant of Options:

8.1 The Committee may, on such dates as it shall determine, grant to such Eligible Employees as it may in its absolute discretion select, Options of the Company on the terms and conditions and for the consideration as it may decide. The details of the Options granted will be communicated through the Letter of Grant.

8.2 The Eligible Employee to whom an Option is granted shall communicate his acceptance of the Option by signing the acceptance letter and submitting the same to the Committee within 30 days from the date of the grant.

9. Maximum quantum of Options per Grantee:

No Eligible Employee shall be granted, in any fiscal year of the Company, Options to purchase more than or equalling to 1% of the issued share capital at the time of grant of option (excluding outstanding warrants and conversions).

Notwithstanding the foregoing, pursuant to a specific special resolution passed by the members in general meeting, the Committee may grant to the Employee(s) mentioned, Options to purchase shares exceeding or equal to 1% of the outstanding issued share capital as on the date of grant (excluding outstanding warrants and conversions).

10. Grant of Options

The Committee may grant Options to the eligible Employees, under any of the following circumstances:

- (a) At the time of joining employment of the Company; or
- (b) At the time of regular performance reviews and depending upon the nature of review that an Employee obtains; or
- (c) At any other time that the Committee may deem fit.

11. ESOP Pricing

11.1 Each Option issued by the Committee to the Grantee, would be eligible for allotment into One Share of the Company subject to the payment of the Exercise Price.

11.2 The Exercise Price shall be determined by the Committee subject to compliance with the provisions of the Scheme and Applicable Laws. The Exercise price shall not be less than the face value of the Equity shares

12. Rights of a Grantee

12.1 Unless and until the Options have been exercised and/or shares transferred to the name of the Grantee in accordance with Applicable Law, the Grantee or his 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.

12.2 Neither the ESOP Scheme, nor any Option shall confer upon any Grantee any right with respect to continuing the Grantee's relationship as an employee with the Company, nor shall it interfere in any way with his right or the Company's right to terminate such relationship at any time, for any reason whatsoever.

13 Vesting period of Options

13.1 The minimum vesting period of an Option shall not be less than a period of 12 months (one year) from the date of grant of the Option.

13.2 Options granted under ESOP 2016 would vest not later than five years from the date of Grant of such Options.

Provided further that in the event of death or Permanent Incapacity, the minimum Vesting Period of 1 (one) year shall not be applicable and in such instances, the Options shall Vest on the date of death or Permanent Incapacity, as the case may be.

Provided that in case where Options are granted by the Company under the Scheme in lieu of Option held by a person under a similar Scheme in another company ("**Transferor Company**") which has merged or amalgamated with the Company, the period during which the Option granted by the Transferor Company were held by him shall be adjusted against the minimum Vesting Period required under this Sub-clause and shall be subject to compliance with the Applicable Laws.

13.3 Subject to the minimum and maximum vesting periods of an Option referred to above, the Committee shall have the sole discretion to decide upon the vesting periods (whether in tranches or through grading) in respect of any Grantee or any category of Grantees.

14 Option Exercise Price and Consideration

14.1 The consideration payable by an Option holder, for exercising an Option would be the Exercise Price. The specific Exercise Price shall be intimated to the Option Grantee in the Grant Letter at the time of Grant. **Post Listing**, the Exercise Price per Option shall be as determined by the Committee and as set out in the Grant Letter as on the Grant Date. The Exercise price shall not be less than the face value of the Equity shares

14.2 The consideration to be paid for the Shares to be allotted upon the exercise of an Option, including the method of payment shall be determined by the Committee at the time of grant. Such consideration may be paid by way of:

- 14.2.1 Bank transfer
- 14.2.2 cheque
- 14.2.3 any combination of the foregoing methods of payment
- 14.2.4 There will be no cashless exercise of options

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

15 Methodology of Exercise of Options

15.1 Procedure for Exercise of Options and lapse of options

15.1.1 An Option granted hereunder shall be exercisable according to the terms hereof at such times and under such conditions as determined by the Committee and set forth in the Letter of Grant.

15.1.2 The option shall be deemed to be exercised when the Committee receives:

- i) Written or electronic notice of exercise (in accordance with the Letter of Grant) from the person entitled to exercise the Option; and.
- ii) Full Exercise Price for the shares with respect to which the option is exercised.

15.1.3 Options will become exercisable in part or whole of the Grant. The Exercise period shall be decided by the Committee at the time of grant of options. Failure to exercise options within the exercise period specified in the Letter of Grant, will lead to lapse of said options.

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

Exercisability of the Vested Options shall be as under:

A) VESTED OPTIONS			
Sr. No.	Reasons for Separation	Prior to Listing	Post Listing
1	While in Employment/ Association	All Vested Options can be exercised only from the date on which the Shares of the Company get listed on a Recognized Stock Exchange, but not later than five years from the date of such listing. In addition, the Option Grantee may Exercise the Options in such other manner, as may be prescribed by the Committee.	All Vested Options can be exercised within a period of five years from the date of Vesting or such other period as may be determined by the Committee.

2	Resignation / Termination (other than due to misconduct or breach of Company policies/Terms of Employment)	All Vested Options can be exercised only from the date on which the Shares of the Company get listed on a Recognized Stock Exchange, but not later than one month from the date of such listing or such other period, as may be determined by the Committee.	All the Vested Options as on that date shall be exercisable by the Option Grantee within three months from his last working day with the Company.
3	Termination due to misconduct or due to breach of Company policies or the Terms of Employment	All the Vested Options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination of employment.	All the Vested Options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination of employment.
4	Retirement / Early Retirement approved by the Company	All Vested Options can be exercised by the Option Grantee immediately after the date of listing of the Shares of the Company on a Recognized Stock Exchange but in no event later than six months from the date of listing.	All Vested Options can be exercised by the Option Grantee immediately after, but in no event later than six months from the date of such Retirement.
5	Death	All Vested Options may be exercised by the Option Grantee's Nominee immediately after the date of listing of Shares of the Company on a Recognized Stock Exchange but in no event later than six months from the date of listing.	All Vested Options may be exercised by the Option Grantee's Nominee immediately after, but in no event later than six months from the date of death of the Option Grantee.
6	Termination due to Permanent Incapacity	All Vested Options may be exercised by the Option Grantee or, in case of his death, the Nominee, immediately after the date of listing of the Shares of the Company on a Recognized Stock Exchange but in no event later than six months from the date of listing. In addition, the Option Grantee may Exercise the Options in such other manner, as may be prescribed by the Board.	All Vested Options may be exercised by the Option Grantee or, in case of his death, the Nominee, immediately after, but in no event later than six months from the date of such Permanent Incapacity.

7	Abandonment	All the Vested Options shall stand cancelled.	All the Vested Options shall stand cancelled.
8	Separation due to reasons other than those mentioned above	The Board/Committee will decide whether the Vested Options on the date of separation can be exercised by the Option Grantee or not, and such decision shall be final.	The Board/Committee will decide whether the Vested Options on the date of separation can be exercised by the Option Grantee or not, and such decision shall be final.

B) UNVESTED OPTIONS			
	Reasons for Separation	Prior to Listing	Post Listing
1	While in Employment/ Association	All Unvested Options would continue to vest as per the original Vesting schedule.	The Options would continue to vest as per the original Vesting schedule.
2	Resignation / Termination (other than due to misconduct or breach of Company policies/Terms of Employment)	All Unvested Options as on the date of submission of resignation / the last working day shall stand cancelled with effect from that date.	All Unvested Options on the date of submission of resignation / the last working day shall stand cancelled with effect from that date.
3	Termination due to misconduct or due to breach of Company policies or the Terms of Employment	All Unvested Options on the date of such termination shall stand cancelled with effect from date of termination of employment.	All Unvested Options on the date of such termination shall stand cancelled with effect from that date of termination of employment.
4	Retirement / Early Retirement approved by the Company	All Unvested Options will stand cancelled as on the date of such Retirement, unless otherwise determined by the Board/Committee whose determination will be final and binding.	All Unvested Options will stand cancelled as on the date of such Retirement, unless otherwise determined by the Board/Committee whose determination will be final and binding.
5	Death	All the Unvested Options as on the date of death shall vest immediately and may be exercised by the Option Grantee's	All the Unvested Options as on the date of death shall vest immediately and may be exercised by the nominee immediately after, but in no event

		Nominee within six months from the date of listing.	later than six months from the date of death of the Grantee.
6	Termination due to Permanent Incapacity	All the Unvested Options as on the date of Permanent Incapacity shall vest immediately and may be exercised by the Option Grantee within six months from the date of listing.	All the Unvested Options as on the date of Permanent Incapacity shall vest immediately and may be exercised by the Option Grantee or, in case of his death, the nominee immediately after, but in no event later than six months from the date of such Permanent Disability.
7	Abandonment	All the Unvested Options shall stand cancelled.	All the Unvested Options shall stand cancelled.
8	Separation due to reasons other than those mentioned above	All Unvested Options on the date of separation shall stand cancelled with effect from that date.	All Unvested Options on the date of separation shall stand cancelled with effect from that date.

15.2 Matters relating to the grant, vesting and exercise of options in case of Grantee who are on long leave will be at the discretion of the Committee.

15.3 For the purposes of this Clause, Resignation / Termination separation shall mean the last working day of such Grantee's employment with the Company.

16 Surrender of Options

16.1 Grantee may surrender his vested / unvested options at any time during his employment with the Company.

16.2 Grantee willing to surrender his options shall communicate the same to the Committee in the prescribed Form I. Thereafter the surrendered options shall expire and stand terminated with effect from the date of surrender of options. Such Options will be treated in the manner as provided under Clause 4 of the ESOP Scheme.

17 Lock-In of shares

17.1 There will be no lock-in period for the shares allotted pursuant to the exercise of options, except such restrictions as prescribed under the Applicable Laws. Cashless exercise of options is not permitted.

18 Variation of the terms of Scheme & Re Pricing

18.1 The Company shall not vary the terms of the Scheme in any manner, which may be detrimental to the interests of the Employees.

18.2 The Company may by special resolution in a general meeting vary the terms of Scheme pursuant to an earlier resolution passed at a general meeting, provided such variation is not prejudicial to the interests of the Grantees.

18.3 The notice for passing special resolution for variation of terms of Scheme shall disclose full details of the variation, the rationale thereof, and the details of the Grantee who are beneficiary of such variation.

18.4 The Company may re-price Options which are not Exercised, whether or not they have been Vested, if options were rendered unattractive due to a changes in the price of Shares in the market; provided that the Company determines that such re-pricing shall not be detrimental to the interest of the Grantee and the approval of shareholders in a general meeting has been obtained for such re-pricing.

18.5 The Company shall be entitled to vary the terms of the Scheme to meet any regulatory requirement without seeking shareholders' approval by special resolution.

19 Non-Transferability

19.1 Each Option granted under the Scheme shall by its terms be non-transferable by the Grantee and each Option shall be exercisable during the term of employment as such other terms as mentioned in the Scheme.

19.2 The Options granted to the Grantee shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

19.3 In the event of death of the employee while in employment, all the Options or any other benefit granted under the Scheme to him/her till his/her death shall vest, with effect from the date of his/her death, in the legal heirs or nominees of the deceased employee, as the case may be.

20 Interpretation and Amendments

20.1 The Committee may make such rules and regulations and establish such procedures for the administration of the Scheme, as it deems appropriate. In the event of a disagreement as to the interpretation of this Scheme or of any rule, regulation or procedure or as to any question, right or obligation arising from or related to the Scheme, the decision of the Committee shall be final.

20.2 The existence of the Scheme and any Letter of Grant hereunder shall not affect, in any way, the right or power of the Board or the shareholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or any merger or consolidation of the Company or its Subsidiary, any issue of debt, preferred or prior preference Shares ahead of or affecting Shares, the authorization or issuance of additional Shares, the dissolution or liquidation of the Company or its Subsidiaries, any sale or transfer of all or part of its assets or business or any other corporate act or proceeding.

20.3 No fraction of a Vested Option shall be exercisable in its fractional form.

21 Corporate Action

21.1 Notwithstanding anything contained under this Scheme, the Committee shall, inter alia, be empowered to make a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others, subject to Applicable Laws.

In this regard following shall be taken into consideration by the Committee:

- (i) the number and the price of the Options shall be adjusted in a manner such that total value of the Options remains the same after the corporate action;

- (ii) for this purpose global best practices shall be considered;
- (iii) the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the recipients.

22 Rights as a Shareholder

The Grantee shall have no rights as a shareholder of the Company with respect to the Shares subject to an Option agreement until such time as the Exercise Price relating to such Option has been paid and the Shares have been issued and delivered to the Grantee.

23 No Right of Employment

The Grant of Options under this Scheme does not create a right to continued employment with the Company or its Subsidiaries. Nothing in this Scheme or Letter of Grant shall interfere with or limit in any way the right of the Company or Subsidiary to terminate the employment of the Grantee at any time.

24 Tax Liability

24.1 In the event of any tax liability, including any tax liability arising on account of change in the tax laws relating to the Scheme, arising on account of the Grant of Options and /or allotment of the Shares to an Grantee, the liability shall be that of the Grantee alone and the Company shall be indemnified to the extent of applicable taxes, if any, levied at any point of time upon the Company in this regard.

24.2 No Shares shall be issued to the Grantee or beneficiary, on Exercise of the Options under this Scheme unless appropriate taxes as required under the applicable tax laws, are discharged. Such taxes may either be deducted from the Grantee's salary and / or can be separately discharged by the Grantee by giving a cheque / demand draft to the Company for the said amount.

24.3 The Company shall have the right to deduct from the salary, for any obligation towards tax deduction arising in connection with the Option or the Shares acquired upon the Exercise thereof.

24.4 The Company shall have no obligation to deliver Shares or to release Shares in pursuance of the Option until the tax deducting obligations, if any, have been satisfied by the Grantee.

24.5 All tax liabilities arising on disposal of the Shares after Exercise would be handled by the Grantee.

25 Notices

All notices under the Scheme shall be in writing, and if to the Company, shall be delivered to the Company or mailed to its principal office addressed to the attention of the Company Secretary (cs@shadowfax.in) and if to the Employee shall be delivered personally or mailed to the Employee at the address appearing in the payroll records of the Company. Such address may be changed at any time by a written notice to the other party.

26 Termination of the Scheme

26.1 The Scheme shall terminate upon the earliest to occur of the following:

- a) The effective date adopted by the Committee / Board terminating the Scheme;
- b) The date all Shares subject to the Scheme are delivered pursuant to the Scheme's provisions; or

- c) Termination of Scheme with the approval of the Company's shareholders.

26.2 No Options may be granted under the Scheme after the earliest to occur of the events or dates described in the foregoing paragraphs (a) through (c) of this Section but Options granted heretofore shall continue in force beyond that date pursuant to these terms.

26.3 No such termination of the Scheme shall affect the previously accrued rights of any Employee hereunder and all Options previously granted hereunder shall continue in force and in operation after the termination of the Scheme, except as they may be otherwise terminated in accordance with the terms of the Scheme or the Letter of Grant.

27 Option Accounting

In respect of Options granted during any accounting period, the accounting value of the Options shall be treated as another form of Employee Compensation in the financial statements of the Company. The Company shall conform to the disclosures and the accounting policies specified under applicable regulations, including the disclosure requirements of the Accounting Standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time.

28 MISCELLANEOUS

28.1 Government Regulations: This Scheme shall be subject to all Applicable Laws, and approvals from governmental authorities.

28.2 Inability to obtain approval: The inability of the Company to obtain approval from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful issuance and sale of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of the failure to issue or sell such Shares.

28.3 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder or member 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.

28.4 Any Shares allotted to the Option Grantee pursuant to the Exercise of Options shall be subject to the restrictions contained in the articles of association of the Company.

28.5 Participation in this Scheme shall not be construed as any guarantee of return on the equity investment. Any loss due to fluctuations in the market price of the Share and the risks associated with the investment are that of the Option Grantee alone.

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

28.7 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 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).

28.8 The Board shall at each annual general meeting place before the shareholders of the Company a certificate from the secretarial auditors of the company that the Scheme has been

implemented in accordance with these regulations and in accordance with the resolution of the Company in the general meeting.

28.9 No amount is payable by the Employee at the time of Grant. Amount paid by the Employee, if any, at the time of grant, vesting or exercise of Options—

(a) may be forfeited by the Company if the Option is not exercised by the Employee within the Exercise Period; or

(b) may be refunded to the Employee if the Options are not vested due to non-fulfilment of conditions relating to vesting of Option as per the Scheme.

29 GOVERNING LAW, DISPUTE RESOLUTION AND JURISDICTION

29.1 The terms and conditions of the Scheme shall be governed by and construed in accordance with the laws of India.

29.2 Any dispute between the Option Grantee and the Company shall be resolved amicably through mutual discussion and negotiations (“**Mediation**”). In the event the parties fail to resolve the dispute through Mediation within 30 (Thirty) days from the date of first notice, the dispute shall be referred to a sole arbitrator appointed mutually by both the parties and the decision / award of the arbitrator shall be final and binding on both, the Option Grantee and the Company. The proceedings of the arbitration shall be conducted in English language as per the provisions of Arbitration and Conciliation Act, 1996 and the seat and venue of proceedings shall be Bangalore.

29.3 Subject to clause 29.2, the Courts of Bangalore, Karnataka, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this Scheme.

29.4 Nothing in this clause will however limit the right of the Company to bring proceedings against any Employee in connection with this Scheme in any other court of competent jurisdiction or concurrently in more than one jurisdiction.

30 SEVERABILITY

In the event any one or more of the provisions contained in this Scheme shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Scheme, but this Scheme shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and the Scheme shall be carried out as nearly as possible according to its original terms and intent. Provided however, that on the revocation or removal of the law or provisions, by virtue of which such invalid, illegal or unenforceable provisions of the Scheme are made enforceable, such provisions as provided in the Scheme would stand renewed and be effective to their original extent, as if they had not been limited by the law or revoked.

31 CONFIDENTIALITY

The Employee / Grantee shall not divulge the details of the Scheme and/or his holdings to any person except with the prior written permission of the Board unless so required to do under any statutes or regulations applicable to such Grantee.

32 WAIVER

All rights and remedies hereunder shall be cumulative and may be exercised singularly or concurrently. If a party fails to perform its obligations under any provisions of this Scheme and the other party does not enforce such provision, failure to enforce on that occasion shall not prevent enforcement on later occasions and would not be construed as waiver.

FORM – I

LETTER OF SURRENDER

Date:

From

To:

The Nomination and Remuneration Committee

Dear Sir / Madam,

This is in reference to the Letter of Grant dated _____ to subscribe for _____
Stock Options of Shadowfax Technologies Limited under the ESOP Scheme of the Company.

I would like to surrender _____ Stock Options out of _____ Stock Options which I had
agreed to subscribe under the said ESOP Scheme as per my Letter of Acceptance dated
_____.

Please do the needful.

Yours Faithfully,

Grantee