



REAL TOUCH FINANCE LIMITED

CIN: L01111WB1997PLC085164; PAN: AACCA2470P; GST: 19AACCA2470P1ZC;

Registered Office: Arihant Enclave, Ground Floor, 493B/57A, G.T. Road (South), Sibpur, Howrah – 711102, West Bengal.

Real Touch Finance Limited – Employee Stock Option Plan 2024 (ESOP 2024)

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1. INTRODUCTION

- 1.1 Real Touch Finance Limited (“**Real Touch Finance**” or “**Company**”) has formulated the Employee Stock Option Plan shall be called as Real Touch Finance Limited – Employee Stock Option Plan 2024 (“**ESOP 2024**”).
- 1.2 The ESOP 2024 was approved by the Nomination and Remuneration Committee and the Board of Directors at their meetings held on the 22nd May, 2024. Subsequently, the ESOP 2024 was duly approved by the shareholders of the Company on 27th June, 2024 by way of special resolution and shall continue to be in force until (i) its termination by the Board or the Nomination and Remuneration Committee (NRC) of Board as authorized or (ii) the date on which all of the Employee Stock Options available for issuance under the ESOP 2024 have been issued and exercised, whichever is earlier.
- 1.3 The Board of Directors or the Nomination and Remuneration Committee of the Board as authorized may subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the ESOP 2024.
- 1.4 The objective of this Real Touch Finance Limited – Employee Stock Option Plan 2024 (“**ESOP 2024**”) is to attract, retain, encourage and reward the Employees, who are the drivers of Company’s growth. The ESOP 2024 is intended to reward the employees for their performance, commitment and support for the growth of Real Touch Finance and to provide an incentive to continue contributing to the success of the Company. It is envisaged that the ESOP 2024 will enable Real Touch to attract and retain the best available talent by making them partners in business and its growth.
- 1.5 This document sets out the features of the ESOP 2024, the benefits accruing to Employees under this Scheme, the duties and responsibilities of the beneficiaries as also the procedures to be followed. The document shall serve as a reference for the administration of ESOP 2024. This document should be carefully read and understood and the procedures prescribed diligently observed for availing the benefits under ESOP 2024.
- 1.6 The tenure of the Scheme shall be a maximum of 15 (Fifteen) years from the date of the Scheme coming into force, or till such time the Options granted under the Scheme have been either Exercised (*defined below*) or have lapsed, as the board of directors may decide from time to time. Further, the Board of Directors shall have the power to pre close the Scheme as it may deem fit in accordance with this Scheme.
- 1.7 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 ESOP 2024. The Nomination and Remuneration Committee of the Board of Directors of the Company (by whatever name called) 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) Regulations, 2015 (“**Listing Regulations**”) shall act as the Compensation Committee for administration of ESOP 2024.
- 1.8 This document is not intended to provide any legal or taxation advice to the Option Grantee of ESOP 2024 and such Employee should consult their own tax advisors before accepting the grant and / or vesting of the Equity Shares under the ESOP 2024 Plan.

2. DEFINITIONS

I. DEFINITIONS:

In this document the following expressions including their grammatical variations and cognate expressions shall unless, repugnant to the context or meaning thereof, have the meaning assigned to them respectively as hereunder:

- 2.1 **"Applicable Laws"** includes laws, statute, rule, regulation, guideline, circular or notification relating to employee stock options, including, without limitation to, the Companies Act, 2013, read with the Companies (Share Capital and Debentures Rules), 2014, the SEBI (SBE & SE) Regulations, the Listing Regulations and all other relevant tax, securities, exchange control or corporate laws, statutes, rules, regulations, guidelines, circulars, notification or bye-laws of the republic of India or any relevant jurisdiction, and includes any statutory modifications or re-enactments thereof, and all relevant tax, securities, exchange control corporate laws of India including any enactment, re-enactment, amendment, modification or alteration thereof.
- 2.2 **"Agreement"** means the Employee Stock Option Agreement, if any, entered into between the Company and Employee, evidencing the terms and conditions of Options granted or to be granted under ESOP 2024. The Agreement is subject to the conditions of ESOP 2024.
- 2.3 **"Employee"** except in relation to issue of sweat equity shares 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 (in whatsoever name called including but not limited to executive 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) above, 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 relatives or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company.
- 2.4 **"ESOP 2024" or "the Plan" or "the Scheme"** means the Real Touch Finance Limited – Employee Stock Option Plan 2024 of Real Touch Finance as set out hereunder and shall include any alterations, amendments, modifications, or variations made thereto from time to time.
- 2.5 **"ESOP Selection Committee"** means the committee that may be constituted by the Committee in terms of Clause - 5 hereof.
- 2.6 **"ESOP Shares"** means the Shares issued pursuant to Exercise of Options granted under ESOP 2024.
- 2.7 **"Company" or "Real Touch Finance"** means Real Touch Finance Limited incorporated in India under the Companies Act, 1956, having its registered office at Arihant Enclave, Ground Floor, 493B/57A, G.T Road (South), Shibpur, Howrah - 711102 and shall include its successor's interest and assigns. The term "Company" shall also include a Group company where the context may so require.
- 2.8 **"Exercise"** means making of an application by the Option Grantee to the Company for issue of Shares against Options Vested, during the Exercise Period, in pursuance of and in accordance with the ESOP 2024, in the prescribed manner, along with Exercise Price and applicable taxes.

- 2.9 **“Exercise Period”** means the time period after Vesting within which the Option Grantee may Exercise right to apply for Shares against the Options vested in pursuance of the ESOP 2024.
- 2.10 **“Exercise Price”** means the price payable by Option Grantees for exercising the Option granted in pursuance of ESOP 2024.
- 2.11 **“Grant”** means issue of the Options to Employees identified by the Nomination and Remuneration Committee under the ESOP 2024.
- 2.12 **“Grant Date” or “Date of Grant”** means the date fixed by the Nomination and Remuneration Committee to be the date on which the Options under ESOP 2024 are granted to an Employee. The date would be specified in the Grant letter issued to the Employee.
- 2.13 **“Grant Letter”** means a written communication by the Company to an Employee, evidencing a Grant to such Employee and the terms and conditions relating to such Grant, in addition to the terms of the Scheme.
- 2.14 **“Group”**, means two or more companies which, directly or indirectly, are in a position to—
(a) Exercise twenty-six per cent. or more of the voting rights in the other company; or
(b) Appoint more than fifty per cent of the members of the Board of Directors in the other company; or
(c) Control the management or affairs of the other company.
- 2.15 **“Holding Company”** shall mean a holding company as defined under Section 2(46) of the Companies Act, 2013, and as amended from time to time
- 2.16 **“Independent Director”** shall have the meaning assigned to it under the Listing Regulations.
- 2.17 **“Option” or “Employee Stock Option”** means the benefit or right but not an obligation given to an Employee to purchase or subscribe for, at a future date, the Shares offered by the Company, directly or indirectly, at a predetermined price.
- 2.18 **“Option Grantee” or “Grantee”** means an Employee to whom Options have been granted under ESOP 2024.
- 2.19 **“Permanent Incapacity”** means any incapacity 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 Nomination and Remuneration Committee based on a certificate of a medical expert identified by the Company.
- 2.20 **“Promoter”** shall have the same meaning assigned to it under the SEBI (ICDR) Regulations.
- 2.21 **“Promoter Group”** shall have the same meaning assigned to it under the SEBI (ICDR) Regulations.
- 2.22 **“Misconduct”** means any of the following:
a. committing of any act of misconduct warranting summary termination under law; or
b. conduct which in the reasonable opinion of the Nomination and Remuneration

- Committee amount to a serious breach by an Option Grantee of the obligation of trust and confidence to his employer; or
- c. a finding by the Nomination and Remuneration Committee that an Employee has committed any material or consistent breach of any of the terms or conditions of the employment agreement including any willful negligence of the duties assigned by the Board; 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.
- 2.23 **“Nomination and Remuneration Committee” or “the Committee”** means the Committee constituted by the Board of Directors of the Company from time to time under Section 178 or any other relevant provisions of the Companies Act, 2013 or under Regulation 19 of the Listing Regulations.
- 2.24 **“Nominee” or “Nominees”** means any person nominated by an Option Grantee under ESOP 2024.
- 2.25 **“Relatives”** shall have the same meaning as defined under Section 2(77) of the Companies Act, 2013.
- 2.26 **“Retirement”** means retirement as per the rules of the Company or any of its Group companies, including Holding Company.
- 2.27 **“SEBI (ICDR) Regulations”** means Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, and includes all amendments, circulars, notifications and clarifications issued there under and as amended from time to time.
- 2.28 **“SEBI (SBEB & SE) Regulations”** shall mean the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended.
- 2.29 **“Share”** means equity shares of the Company within the meaning of this Plan.
- 2.30 **“Subsidiary Company”** means the subsidiary company (present or future) as defined in Section 2 (87) of the Companies Act, 2013.
- 2.31 **“Vesting”** means the process by which the Option Grantee becomes entitled to apply for Shares of the Company against the Options granted in pursuance of ESOP 2024. The terms “Vest” and “Vested” shall be construed accordingly.
- 2.32 **“Vesting Condition”** means any condition subject to which the Options granted would Vest in an Option Grantee.
- 2.33 **“Vesting period”** means the period during which the Vesting of the Option granted to the Employee in pursuance of ESOP 2024 takes place i.e. the period elapsed between the Date of Grant and the date of Vesting of the Options granted to the Employees and as specified in the relevant Grant Letter.

II. **INTERPRETATION:**

- A. Unless the context otherwise requires, words employed in the masculine gender shall include the feminine also and words employed in the singular shall include the plural.

- B. All other expressions unless defined herein shall have the same meaning as have been assigned to them under the Companies Act, 2013 or the Companies (Share Capital and Debentures) Rules, 2014 or the Securities Contracts (Regulation) Act, 1956, SEBI (SBEB & SE) Regulation
- C. Regulations or other Applicable Laws, as the case may be.

III. **ARTICLE HEADINGS:**

Article headings are for information only and shall not affect the construction of this document.

IV. **REFERENCES:**

- A. A reference to a Clause or Schedule is respectively a reference to a Clause or Schedule of this document. The Schedules to this document shall for all purposes form part of this document.
- B. Reference to any Act, Rules, Statute or Notification shall include any statutory modification, substitution or re-enactment thereof.

3. **NOMINATION AND REMUNERATION COMMITTEE**

3.1 The Nomination and Remuneration Committee may from time to time determine:

- (a) the quantum of Options to be granted per Employee and in aggregate under the Scheme;
- (b) the conditions under which Options may vest in Employee and the situations under which they may lapse including but not limited to termination of employment for Misconduct, etc.;
- (c) the Exercise Period within which the Employee can Exercise the Options post which the Options would lapse;
- (d) the specified time period within which the Employee shall Exercise the vested Options in the event of termination or resignation;
- (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 entitlement including adjustment to the number of Options and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, inter alia, be taken into consideration by the Nomination and Remuneration Committee:
- (i) the number and price of Options shall be adjusted in a manner such that total value to the Employee of the Options remains the same after the corporate action;
- (ii) the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Employee who is granted such Options;

- (g) the Grant, Vesting and Exercise of Options in case of Employee who are on long leave;
 - (h) the procedure for funding the Exercise of Options;
 - (i) the procedure to constitute the ESOP Selection Committee;
 - (j) the procedure for buy-back of 'specified securities' as defined under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 issued under the SEBI (SBEB & SE) Regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:
 - (i) Permissible sources of financing for buy-back;
 - (ii) Any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
 - (iii) Limits upon quantum of specified securities that the Company may buy-back in a financial year.
 - (k) frame suitable policies, procedures and systems to ensure that there is no violation of Applicable Laws and regulations, by any Employee;
 - (l) carry out such other terms of reference as may be laid down by the Board of Directors.
- 3.2 In case of any disputes relating to the interpretation of the terms and conditions of the Scheme, the decision of the Nomination and Remuneration Committee shall be final and binding on the Employees.
- 3.3 The Company has already adopted policies as required under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2018 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 or any statutory modification or re-enactment of these regulations by the Company or any of its Employees, as applicable.
- 3.4 No member of the Nomination and Remuneration Committee shall be personally liable for any decision or action taken in good faith with respect to the administration of the Scheme.

4. QUANTUM OF OPTIONS

- 4.1 The total number of Options granted under ESOP 2024 shall not exceed 6,34,635 (Six Lakhs Thirty Four Thousand Six Hundred Thirty Five only) Options Exercisable into 6,34,635 (Six Lakhs Thirty Four Thousand Six Hundred Thirty Five only) Shares, being 5% of the issued and paid-up equity share capital of the Company as on 31st March, 2024 or such number as may be required on account of any corporate action, as may be approved by the Committee, Board and the shareholders of the Company from time to time, with each of such Option conferring a right upon the Employee to apply for one equity Share of the Company, in accordance with the terms and conditions of such issue.
- 4.2 The total number of Shares reserved and available for issuance pursuant to the Options Granted under this Scheme will be in accordance with the resolution passed by the

Committee (and approved by the Board on 22nd May, 2024 and the shareholders on 27th June, 2024).

- 4.3 The Options which are surrendered, cancelled, lapsed or forfeited are eligible to be reissued as fresh grants as per the provisions of this Scheme.

5. ESOP SELECTION COMMITTEE

An ESOP Selection Committee may be constituted by the Nomination and Remuneration Committee, if necessary, to enable it to identify the Employees eligible to participate in this ESOP 2024 in accordance with terms hereof and the Applicable Law. The Committee or the ESOP Selection Committee may, at its discretion, lay down certain criteria including, but not limited to, the performance metrics which would include the targets, goals, events, profitability, revenue, share price growth and other strategic metrics/parameters (as applicable at the relevant stage and as determined by the Committee, and which may be specified in the respective Grant Letters or the vesting letters to be issued) based on which the Options shall be Granted and/or vest and to help in quantifying the Options to be Granted to Employees.

6. GRANT PROCEDURE AND ACCEPTANCE

- 6.1 The Nomination & Remuneration Committee shall have the power to Grant the Options under the ESOP 2024 to the identified Employees.
- 6.2 The Nomination & Remuneration Committee will cause the Grant Letter to be issued to the identified Employees, containing, inter alia, the following details:
- Name of the Employee;
 - No. of Options Granted;
 - Date of Grant;
 - Exercise Price;
 - Vesting conditions & Vesting schedule;
 - Exercise Period;
 - Additional Vesting condition, if any;
 - Targets/Goals/other parameters if any applicable for Vesting
 - Disclosures as required under the Applicable Laws.

- 6.3 The maximum number of Options granted to any one Employee over the life of the Scheme shall not be more than 1% (One per cent) of the issued equity share capital of the Company (excluding outstanding warrants and conversions) at the time of Grant of the Option. Prior approval of shareholders by way of special resolution in the general meeting shall be obtained in case the Grant of Options to any Employee is equal to or exceeding 1% (One per cent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option.

- 6.4 No upfront payment shall be made by Employees at the time of Grant of Options and the Exercise Price is payable at the time of Exercise of Option by those Employees.

7. VESTING PERIOD AND CONDITIONS

- 7.1 Vesting, requirements of Vesting and maximum period of Vesting:

- (a) Options granted may be vested based on:



- (i) Attaining goals and / or
 - (ii) Achieving Targets and / or
 - (iii) Occurrence of an Event and / or
 - (iv) Other parameters
- as may be determined by the Nomination & Remuneration Committee from time to time.

- (b) The Vesting shall not be automatic and will be subject to the Option Grantees meeting various parameters as applicable at the time of Vesting of Options and as determined by the Committee. The targets or goals or events or other parameters as may be fixed by the Nomination and Remuneration Committee may either be for the individual or for the team or for the organization as a whole and/or financial or event achievements.
- (c) Subject to the terms of the Scheme and the Grant Letter, the Options Granted by the Company would Vest with the Option Grantee only upon expiry of the applicable Vesting period in respect of the same.
- (d) The Options shall vest not less than one year from the Date of Grant or not later than five years from the Date of Grant, or any other shorter period as decided by the Committee and specified in the relevant Grant Letters issued to the Option Grantees. However, in case of death or permanent incapacity, the minimum Vesting period of 1 (one) year shall not apply, in which case the Options shall vest immediately. The Options can be granted to an Employee working with a Group company, including Holding Company or continue to vest and shall be Exercised as per the terms of the Grant (i) in case the Option Grantee moves from an employment role to a directors' role (executive/non-executive) in the Company or in the Group company (within the definition of 'Employee'); or (ii) in case of transfer to a Group company, including Holding Company.
- (e) The Nomination and Remuneration Committee shall communicate the requirements of Vesting, Vesting schedule and other terms through Grant letter at the time of Grant.

- 7.2 In case the Option Grantee goes on a continuous unpaid leave of 30 (thirty) days or more during the Vesting period, the Vesting Period will be automatically extended by such period of leave in excess of 30 (thirty) days. The Nomination and Remuneration Committee may prescribe further terms and conditions for the Vesting of such Options considering the contribution of such Option Grantees for the performance. The Nomination and Remuneration Committee shall have the right to exempt any Option Grantee from the operations of the provisions of this clause. In cases where the Vesting is based on performance or attainment of targets or goals or other parameters or happening of an event, the Nomination and Remuneration Committee shall make suitable changes in Vesting period or in Vesting conditions in the event of Option Grantee going on a continuous unpaid leave of 30 (thirty) days or more.

8. LOCK-IN PERIOD AND METHOD OF VALUATION

- 8.1 The ESOP Shares issued pursuant to the Exercise of the Options shall not be subject to any lock in period restriction after such allotment and credit to the respective demat account; however, the same shall be subject to such restrictions as may be prescribed under Applicable Laws including the Company's Code of Conduct to regulate, monitor and report trading by insiders, under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended.

8.2 The Company shall follow the intrinsic method for valuations of Options unless otherwise required by the Accounting Standards followed by the Company.

9. EXERCISE PRICE, EXERCISE PERIOD & PROCEDURES

9.1 The Exercise Price per Option shall be such price not being less than the face value, as may be determined by the Nomination and Remuneration Committee and included in the Grant Letter. Provided that the Exercise Price shall be in compliance with the accounting standards specified under Regulation 15 of the SEBI (SBEB & SE) Regulations, including any "Guidance Note on Accounting for employee share-based Payments" issued in that regard from time to time.

9.2 The Option Grantees can Exercise rights to convert the Options into Shares either in full or in tranches by addressing a communication to the Nomination and Remuneration Committee (or any authority identified by the Nomination and Remuneration Committee) in the form that may be prescribed by the Nomination and Remuneration Committee from time to time. The Option Grantee, shall, at the time of Exercise of Options send the prescribed form mentioning the number of Options that he is willing to Exercise, PAN and other details as may be required, together with payment for an amount equal to the aggregate Exercise Price and tax payable in respect of the Options Exercised.

The Exercise Period shall commence from the date of Vesting and expire not later than three years from the relevant Vesting date as included in the Grant Letter, or such other shorter time period as may be determined by the Committee, subject to company policies and Applicable Laws.

9.3 Options vested and not Exercised by the Option Grantees before the Exercise Period of the said Options, shall lapse.

9.4 Notwithstanding anything contained elsewhere in the Scheme:

(i) If the Option Grantee does not Exercise his vested Options within a period as stipulated by the Committee, the Options shall stand lapsed.

(ii) The Committee may, if the Exercise of Options within the Exercise Period, is prevented by any law or regulation in force or order of any jurisdictional court, defer or not permit the Exercise of Options till such time as it is prohibited by the Applicable Laws or regulations and in such an event the Company shall not be liable to pay any compensation or other payment to the Option Grantee for any loss suffered due to such prohibitions and the Exercise Period shall stand extended by such period.

(iii) The Committee shall have the power to cancel all or any of the Options granted under the Scheme, if so required, under any law for the time being in force or the order of any jurisdictional court. In the event of any such cancellation, no compensation shall be payable to the Option Grantee for such cancelled Options.

9.5 The Options will be exercisable by the Employees by way of an application to the Company accompanied by payment of the Exercise Price in such manner and on execution of such documents (if required), as may be prescribed by the Committee from time to time.

10. ALLOTMENT AND LISTING OF SHARES

On Exercise of Options, in compliance with and subject to other terms as provided in the Scheme and the Grant Letter, the Shares will be allotted in the name of the Option Grantee or to the legal heir or Nominees, as the case may be, in compliance with Applicable Law.

On allotment of Shares, the Shares so allotted shall be listed immediately on all recognized stock exchange(s) where the existing shares of the Company are listed. Provided that the Shares allotted on such Exercise can be traded only in compliance with 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.

11. DISCONTINUATION OF SERVICES BEFORE VESTING

- 11.1 In the event of an eligible Option Grantee's services being discontinued on account of resignation, the Options granted to him but not vested as on the last working date under the ESOP 2024 shall lapse. The Vested Options shall be exercised within the time period specified in Clause 12.1.
- 11.2 However, in the event of an eligible Option Grantee's services being terminated by the Company without cause, the Options granted to him which would vest within the next one year from the date of termination without cause shall vest immediately, on an accelerated basis, on the date of termination. All other unvested Options as on the date of termination under the ESOP 2024 shall lapse. The Vested Options shall be exercised within the time period specified in Clause 12.1.
- 11.3 In the event of an eligible Option Grantee's services being discontinued on account of termination with cause (including in case of Misconduct), the Options granted to him which have not vested in such Grantee as on the last working date would lapse. The Vested Options in such situation would be treated in the manner provided in Clause 12.2.
- 11.4 If an employee has been granted employee stock options under the ESOP 2024, and such employee's employment terminates due to death, then all the employee stock options will vest on such date, and the deceased employee's nominee or legal heir shall be entitled to exercise the vested options within the time period specified in Clause 12.3 or as decided by the Nomination and Remuneration Committee at its sole discretion. The Company shall formulate appropriate policy in accordance with Applicable Laws as regards the Options Granted in case of death.
- 11.5 If an employee has been granted employee stock options under ESOP 2024, and such employee's employment terminates due to Permanent Incapacity, then all the employee stock options will vest on such date, and the employee or his beneficiaries shall be entitled to exercise the vested options within the time period specified in Clause 12.3 or as decided by the Nomination and Remuneration Committee at its sole discretion. The Company shall formulate appropriate policy in accordance with Applicable Laws as regards the Options Granted in case of Permanent Incapacity.
- 11.6 In case of retirement or superannuation of an Option Grantee, the Options granted which have not vested as on that date shall continue to vest in accordance with the respective vesting schedules, even after retirement or superannuation in accordance with the Company's policies and the Applicable Law, unless otherwise decided by the Nomination and Remuneration Committee at its sole discretion and included in the Grant Letter.

12. DISCONTINUATION OF SERVICES BEFORE EXERCISE

- 12.1 If the services of an Option Grantee is terminated by such Option Grantee (resignation of the Option Grantee) or by the Company (termination without cause), then, such Option Grantee may Exercise the Vested Options within 90 (Ninety) days from the last working day, failing which the Options shall lapse. If the Exercise of Options is delayed by operation of any Applicable Law as per the policy of the Company, the 90 (Ninety) days mentioned above shall be extended by such period of delay or as the Nomination and Remuneration Committee may deem fit prior to the expiry of the Exercise Period.
- 12.2 Unless otherwise determined by the Committee (which determination may be made at the time of cessation of the Option Grantee's association with the Company), in case of an Option Grantee, whose services are terminated for cause, such Option Grantee may Exercise the vested Options within 30 (Thirty) days from the last working day, failing which the Options shall lapse. It is hereby clarified that the Committee reserves the right to cancel all rights pertaining to Exercise of Vested Options under this Scheme as may be decided by the Nomination and Remuneration Committee.
- 12.3 In case of death or Permanent Incapacity of an Option Grantee, Options which are Vested as on the date of demise or Permanent Incapacity but not Exercised and Options which shall be vested as on the date of death or Permanent Incapacity (as per clause 11.4 and 11.5 above), shall be Exercised within 180 (One Hundred and Eighty) days from the date of death or Permanent Incapacity by the nominees or legal heirs of the deceased Option Grantee or such Option Grantee as the case may be, upon proper verification and approval by the Nomination and Remuneration Committee.
- 12.4 The date of the termination of employment of an Option Grantee shall mean the date of termination of the employment specified by the Company in the letter of termination issued by the Company to that grantee or the last working day, whichever is later. In the event of disputes, the Committee shall, for the purposes of this Scheme, determine whether there has been a termination of employment for cause or otherwise in terms of the applicable employment policies, or whether there has been Permanent Incapacity during the course of employment, as provided for herein.

13. CORPORATE ACTIONS

- 13.1 In the event of a merger or acquisition or other similar transaction of Real Touch Finance with any other company or body corporate ("**Merger Event**") which would result in the creation of a new entity or otherwise, wherein the Shares of Real Touch to be swapped with the new entity or otherwise, all the unvested Options shall be accelerated to be vested and the vested Options shall have to be Exercised before the binding documents are signed resulting in the consummation of the Merger Event. For abundant clarity, it is to be understood that as defined above, upon the accelerated Vesting and Exercise of the Options, the Option Grantees shall have become shareholders of Real Touch on or before the date of the Merger Event. The date of Vesting and timeline for Exercise shall be discussed and mutually agreed to between Real Touch and the Employees but in no event shall the Vesting and Exercise go beyond the date of consummation of the Merger Event. Alternatively, where the acceleration of unvested Options is not preferred by the Committee or the board of Directors, the Vested or unvested Options prior to such Merger Event shall be treated as per the adjustments to be made and recommended by the Committee, and the Committee shall take appropriate measures whereby the Option Grantees are issued options of the resultant entity in lieu of the Granted and/or vested Options. In such case, subject to compliance with

the Applicable Law, the Committee (i) shall ensure that the value of the options of the successor entity shall be comparable to the value of the Options held by the Option Grantee, and (ii) the terms relating to vesting, exercise price, exercise period are comparable to such terms of the Options. Notwithstanding the generality of the above, the terms and conditions of the options issued in lieu of the Options Granted to such Option Grantee may be at variance with the terms contained in this Scheme.

13.2 In the event of a dissolution or liquidation of the Company, any vested Options outstanding under the Scheme shall be cancelled if not exercised prior to such event and no compensation shall be payable in respect of the Options so cancelled.

13.3 In a scenario where an individual or company or body corporate acquires majority shareholding (greater than or equal to 51%) ("**Buyout**") in Real Touch or in case of change in Control ("**Control Event**") of Real Touch, all the unvested Options shall be accelerated to be Vested and shall have to be Exercised before the binding documents are signed resulting in the consummation of the Buyout or the Control Event. For abundant clarity, it is to be understood that as defined above, upon the accelerated Vesting and Exercise of the Options, the Option Grantees shall have become Shareholders of Real Touch on or before the date of the Buyout or Control Event. The date of Vesting and timeline for Exercise shall be discussed and mutually agreed to between Real Touch Finance and the Employees but in no event shall the Vesting and Exercise go beyond the date of consummation of the Buyout or Control Event. For the purpose of this clause, "**Control**" shall mean and include the right to appoint a majority of directors, or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.

13.4 Notwithstanding anything above, the Nomination and Remuneration Committee shall have the right to accelerate the timeline for the Vesting or Exercise of Options by the Option Grantees in view of any proposed corporate actions being undertaken in the Company.

14. OTHER CONDITIONS ATTACHED TO OPTIONS

14.1 Options granted to an Employee shall not be transferable to any other person except in the event of death or demise or Permanent Incapacity of the Option Grantee. Upon the death or Permanent Incapacity of an Option Grantee, the provisions of Clause 11.4, 11.5 and 12.3 (as applicable) shall take effect. Nothing in this Clause shall affect the right of the Option Grantee to sell or otherwise dispose of Shares issued upon Exercise. However, transfer of Shares shall be subject to the provisions contained in the Articles of Association of the Company (if any) and Applicable Law.

14.2 No person other than the Employee to whom the Option is Granted, shall be entitled to Exercise the Option except in case of a deceased Employee or Nominee or legal heir as per the provisions of this Scheme.

14.3 The Options granted to an Employee shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner or any kind of third-party interests be created over the Options.

15. BENEFITS AND OBLIGATIONS AS OPTION GRANTEE OR SHARE HOLDERS

- 15.1 Where the Options have not been Vested in the case of any Option Grantee, or where the Options have been Vested but have not been Exercised by the Grantee, if any changes be made to the equity share capital of the Company by reason of any corporate action like consolidation of shares, split of shares, or conversion of shares into stock or by capitalization by bonus issue or rights issue or in any other manner, appropriate adjustments to the extent permissible under Applicable Law for the time being in force shall be made either to the number of Options or the Exercise Price of Options granted or both, to reflect such change without in any way affecting the rights of the said Option Grantees, or diluting or enlarging the benefits of ESOP 2024. However, the Option Grantees will not have a right to participate in the further issue of shares including rights or preferential issue.
- 15.2 Neither an Option Grantee, nor successors in interest or Nominee or legal heir, shall have any of the rights (including any right to claim or receive any dividend and the right to vote) or status of a shareholder of the Company with respect to the Options granted, till the Company, on the Exercise of Options, issues Shares pursuant to Exercise of the Options in favor of such Option Grantee or such successors in interest or Nominee or legal heir and such person becomes a registered holder of the Shares of the Company.
- 15.3 The Option Grantee shall not divulge any details of the ESOP 2024 including Options granted to any person except with the prior permission of the Company obtained in writing.
- 15.4 The Shares shall rank pari-passu with then existing equity shares of the Company and shall be subject to the Memorandum and Articles of Association of the Company.
- 15.5 All Option Grantees who have been allotted Shares by virtue of Exercise of Options issued under the ESOP 2024 will be entitled to receive all regular benefits as shareholders of the Company like Dividends, Bonus Shares, etc, if any, announced by the Company only from the date of allotment of Shares.
- 15.6 The existence of the Scheme and the Grants made hereunder shall not in any way affect the right or the power of the Board of Directors or the shareholders or the Company to make or authorize any "Change in Capital Structure" including any issue of shares, debt or other securities having any priority or preference with respect to the shares or the rights thereof.
- 16. APPOINTMENT OF NOMINEE**
- 16.1 An Option Grantee may appoint any person as Nominee(s) for the purpose of exercising the rights, subject to the obligations, in terms of the ESOP 2024. The grantee concerned shall appoint such Nominee(s) in the prescribed form, from time to time. The Grantee has the right to revoke such nomination at any time and a fresh nomination may be made on such revocation.
- 16.2 The Nominee specified as aforesaid shall alone be entitled to Exercise the rights of the Grantee concerned and Real Touch shall not be liable in relation to any rights and obligations amongst the legal heir's inter-se of the grantee concerned.
- 16.3 Where the Grantee has not made the nomination as above, then the person appointed as Nominee by the Grantee as per the provisions of Employees Provident Fund Scheme 1952, as may be amended from time to time or in the absence thereof, shall be deemed to be the Nominee for the purposes of ESOP 2024.
- 16.4 If an Option Grantee fails to make a nomination as mentioned above in any case, the Options shall vest on legal heirs in the event of death or Permanent Incapacity of the Option Grantee.

17. GOVERNMENT REGULATIONS

- 17.1 This Scheme shall be subject to all Applicable Laws as may be required. The Grant of Options under this ESOP 2024 shall entitle Real Touch Finance to require the Employees to comply with such requirements.
- 17.2 Subject to clause 25.1, the Courts of Chennai, Tamil Nadu shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this Scheme. However, nothing in this Clause shall 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.

18. GENERAL RISKS

Participation in this ESOP 2024 shall not be construed as any guarantee of return on the equity investment. Any loss due to fluctuations in the price of the equity and the risks with the investment are that of the Option Grantee alone.

19. INABILITY TO OBTAIN AUTHORITY

- 19.1 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 and issuance of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of such inability.
- 19.2 Neither the existence of this Scheme nor the fact that an individual has on any occasion been granted an Option shall give such individual any right, entitlement or expectation that he has or shall in future have any such right, entitlement or expectation to participate in this Scheme by being granted an Option on any other occasion.
- 19.3 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).
- 19.4 The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to Exercise an Option in whole or in part.
- 19.5 Participation in ESOP 2024 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 with the investments are that of the Employees alone.

20. ACCOUNTING AND DISCLOSURES

- 20.1 The Company shall follow the rules or regulations or applicable to accounting related to Options, including but not limited to the IND AS or Guidance Note on Accounting for Employee Share-based Payments and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India or any other appropriate authority, from time to time, including the disclosure requirements prescribed therein.

- 20.2 The Company shall make disclosures to the prospective Option Grantees containing statement of risks, information about the Company and salient features of the ESOP 2024 in a format as prescribed under SEBI (SBEB & SE) Regulations.
- 20.3 The Company shall also make the necessary disclosures under the SEBI (SBEB & SE) Regulations at the time of grant, including as provided in Part G of Schedule I of the SEBI (SBEB & SE) Regulations.

21. TAX LIABILITY

- 21.1 In the event of any tax liability, arising in or outside India on account of the Grant/Vesting /Exercise of Options and/or allotment of the Shares to an Option Grantee, the liability shall be that of such Grantee alone and shall be borne and paid by the Option Grantee at the time of Exercise of Options or within such time as may be prescribed under the law whichever is earlier.
- 21.2 All the tax liabilities arising on disposal or transfer of Shares by the Option Grantees after Exercise of Options would be required to be borne by the Option Grantee directly.
- 21.3 The Options shall be granted only on payment of an amount equal to the aggregate of the Exercise Price and tax payable in respect of the Options Exercised. If the amount paid by the Option Grantee is less than the aggregate of the Exercise Price and tax payable in respect of the Options Exercised, the Exercise shall remain incomplete.

22. CHANGES IN TERMS AND CONDITIONS OR TERMINATION OF SCHEME

- 22.1 The Company may, at any time at its discretion, change the terms and conditions of the ESOP 2024 subject to the shareholders' approval. However, such changes shall not be detrimental to the interest of the then existing Option Grantees in respect of the Options Granted to them as on that date.
- 22.2 The Board of directors or the Nomination and Remuneration Committee may revise any of the terms and conditions of this Scheme to meet any regulatory requirement without seeking shareholders' approval.
- 22.3 The operation of the Scheme may be terminated at any point of time by the Board of Directors. However, the Scheme shall continue to operate in respect of Options granted but pending Vesting/Exercise/cancellation/lapse before the date of termination of the Scheme. Only those Options pending to be granted as on the date of termination of the Scheme shall lapse as on the date of termination of the Scheme.
- 22.4 In the event of pre-closure of the Scheme, the Board of Directors shall frame such terms and conditions as it may deem fit, without being detrimental to the interest of the then existing Option Grantees.

23. SUBSEQUENT SCHEMES

- 23.1 Nothing contained in the Scheme shall be construed to prevent the Company from implementing any other subsequent scheme for granting stock options and/or share purchase rights, which is deemed by the Company to be appropriate or in its best interest.
- 23.2 The Company reserves the right to carry forward the lapsed, unexercised and forfeited Options to new scheme.

23.3 No Option Grantee or other person shall have any claim against the Company as a result of such action.

24. SCHEME SEVERABLE

24.1 This Scheme read with the Grant letter, and any agreement and any other document executed by the Employees in this regard constitutes the entire document in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter.

24.2 In the event that any term, condition or provision of this Scheme being held to be a violation of any Applicable Law, the same shall be severable from the rest of this Scheme and shall be of no force and effect and this Scheme shall remain in full force and effect as if such term, condition or provision had not originally been contained in this Scheme.

25. ARBITRATION

25.1 Subject to clause 3.2, in case of any dispute under the Scheme, it shall be referred to a single Arbitrator to be appointed mutually by the Committee and the Option Grantee concerned with the dispute. The arbitration proceedings shall be in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The place of Arbitration shall be Chennai, India.

26. APPLICABILITY OF REGULATIONS

26.1 All amendments made from time to time to the Companies Act, 2013 and/or the Companies (Share Capital and Debentures) Rules, 2014, SEBI (SBEB & SE) Regulations or other applicable regulations, so far as they apply to this Scheme, shall automatically form a part of this Scheme. The Nomination and Remuneration Committee is authorized to give effect to such amendments in the text of this Scheme.

26.2 The Company and its Group Company(ies) shall conform to the accounting policies as specified under applicable guidelines or regulations or notifications or circulars or as may be made applicable from time to time.

27. CONFIDENTIALITY

27.1 The Employee who holds Options or Shares under this Scheme shall not divulge details of this Scheme or of the Options held by him to any person without prior written permission of the Nomination and Remuneration Committee.

27.2 The Employee shall enter into such agreement as the Nomination and Remuneration Committee may decide from time to time.

28. CONTRACT OF EMPLOYMENT

28.1 The rights and obligations of any Employee under the terms of office or employment with Real Touch Finance shall not be affected by participation in this Scheme.

28.2 Nothing in this Scheme shall be construed as affording such an Employee any additional rights as to compensation or damages in consequence of the termination of such office or employment for any reason.



REAL TOUCH FINANCE LIMITED

CIN: L01111WB1997PLC085164; PAN: AACCA2470P; GST: 19AACCA2470P1ZC;

Registered Office: Arihant Enclave, Ground Floor, 493B/57A, G.T. Road (South), Sibpur, Howrah – 711102, West Bengal.

- 28.3 This Scheme is purely at the discretion of Real Touch Finance (represented by the Board of Directors or Nomination and Remuneration Committee).
- 28.4 This Scheme shall not confer on any legal or equitable rights on Employees or any person against the Company either directly or indirectly or give rise to any cause of action in law or equity against the Company.
- 28.5 The Employee to whom this Scheme is made applicable may also be bound by a Code of Conduct, as may be framed and announced by the Nomination and Remuneration Committee from time to time, to be followed in respect of any grant and other transactions under the Scheme. Any willful violation of the said code of conduct on the part of the Employee will result in the withdrawal or annulment of the relevant and/or all related transactions under the Scheme.

G. S. R.