

TAC INFOSEC LIMITED

“TAC EMPLOYEE STOCK OPTION SCHEME- 2024”

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1. NAME, OBJECTIVE AND TERM OF THE PLAN:

- 1.1 This Employee Stock Option Plan shall be called **"TAC Employee Stock Option Scheme 2024"**
- 1.2 The objectives of the "TAC Employee Stock Option Scheme 2024" are to reward, attract, motivate and retain eligible employees and Directors of the Company for their high level of individual performance and for their efforts to improve the financial performance of the Company with the objective of achieving sustained growth of the Company and creation of shareholders' value by aligning the interests of the eligible employees with the long-term interests of the Company.
- 1.3 This Scheme has been approved and authorized by the Board of Directors of the Company pursuant to the resolution dated July 20, 2024 and by the Shareholders of the Company pursuant to a Special Resolution dated September 08, 2024 passed vide Postal Ballot.
- 1.4 The "TAC Employee Stock Option Scheme 2024" is implemented with effect from date of shareholders' approval i.e. September 08, 2024 and shall continue to be in force until (i) its termination by the Board/ Committee as per provisions of Applicable Laws, or (ii) the date on which all of the Options available for issuance under the TAC Employee Stock Option Scheme 2024 have been issued and exercised, whichever is earlier.
- 1.5 The Board of Directors or the Nomination and Remuneration Committee may subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the "TAC Employee Stock Option Scheme 2024."

2. DEFINITIONS AND INTERPRETATION:

2.1 Definitions

The terms defined in this "TAC Employee Stock Option Scheme 2024" shall for the purposes of this "TAC Employee Stock Option Scheme 2024", have the meanings herein specified and terms not defined in this "TAC Employee Stock Option Scheme 2024" shall have the meanings as defined in the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Companies Act, 2013, the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018 and SEBI (Share Based Employee Benefits Regulations), 2021 or any statutory modifications or re-enactments thereof, as the case may be.

- i. **"Applicable Law"** means every law relating to Options, Employee Stock Options by whatever name called, including and without limitation to the Companies Act, 2013 and the rules framed thereunder, Securities and Exchange Board of India Act 1992, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and includes any statutory modifications or amendment (s) thereto or re-enactment(s) thereof and all relevant tax, securities, exchange control or corporate laws of India or of any relevant jurisdiction or of any Stock Exchange on which the Shares are listed or quoted.
- ii. **"Board"** means the Board of Directors of **TAC INFOSEC LIMITED** ("The Company")
- iii. **"Committee"** means the Nomination and Remuneration Committee constituted by the Board from time to time, to administer and supervise the TAC Employee Stock Option Scheme 2024 and other employee benefit plan/schemes, if any, comprising of such members of the Board as provided under Section 178 of




the Companies Act to act as a compensation committee under Regulation 5 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

- iv. **"Companies Act"** means the Companies Act, 2013 read with rules issued thereunder from time to time and includes any statutory modifications or reenactments thereof.
- v. **"Company"** means 'TAC INFOSEC LIMITED' a company Incorporated in India under the provisions of the Companies Act, 2013, having CIN: **L72900PB2016PLC045575** and its Registered Office Address situated at 08th Floor, Plot No.C-203, Industrial Focal Point, Phase 8B, Balongi, Rupnagar, S.A.S.Nagar (Mohali), Punjab, India, 160055.
- vi. **"Company Policies/Terms of Employment"** means the Company's policies for Employees and the terms of employment as contained in the employment letter and the Company handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete, and non-poaching of other employees and customers. Policies/Terms of Employment of the Subsidiary Company as regards an Option Grantee on the payrolls of such Subsidiary Company shall be deemed to be "Company Policies/Terms of Employment" for such Option Grantee.
- vii. **"Director"** means a member of the Board of the Company.
- viii. **"Eligibility Criteria"** The appraisal process for determining the eligibility of the employees will be specified by the Board or the Nomination and Remuneration Committee from time to time, and will be based on criteria, such as level, role / criticality of the employee, length of service with the Company, work performance, and such other criteria that may be determined by the Board or the Remuneration Committee, as applicable, at its sole discretion.

The Board or the Nomination and Remuneration Committee may decide to extend the benefits of the **"TAC Employee Stock Option Scheme 2024"** to new entrants or to existing eligible employees on such basis as it may deem fit, in accordance with applicable law.

- ix. **"Employee"** means
 - i. an employee as designated by the company, who is exclusively working in India or outside India; or
 - ii. a director of the company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director and nominee director; or
 - iii. an employee as defined in sub-clauses (i) or (ii), of a subsidiary company, in India or outside India, but does not include—
 - (a) an employee who is a promoter or a person belonging to the promoter group; or
 - (b) a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company;
- x. **"Employee Stock Option"** means an option granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the Shares underlying the Option offered by the Company at a pre-determined price.
- xi. **"Exercise Application"** means the application form set out in **Schedule I**, for the purpose of enabling the Option Holder(s) to apply to the Company along with a cheque/demand draft/any other mode of payment as intimated by the Administrator from time to time in respect of exercising the Option(s) by



paying the Exercise Price within the Exercise Period.

- xii. **"Exercise"** of an Option means expression of an intention by an Employee to the Company to purchase the Shares underlying the Options vested in him, in pursuance of the 'TAC Employee Stock Option Scheme 2024', in accordance with the procedure laid down by the Company for Exercise of Options.
- xiii. **"Exercise Period"** means such time period after Vesting within which the Employee can exercise the Options vested in pursuance of the 'TAC Employee Stock Option Scheme 2024'.
- xiv. **"Exercise Price"** means the price payable by an Employee in order to exercise the Options granted in pursuance of the 'TAC Employee Stock Option Scheme 2024'.
- xv. **"Grant"** means issue of Options to the Employees under the 'TAC Employee Stock Option Scheme 2024'.
- xvi. **"Grant Date"** means the date of the meeting of the Nomination and Remuneration Committee in which Grant of Options to the Employees is approved.

Explanation: For accounting purposes, the Grant Date will be determined in accordance with applicable accounting standards.

- xvii. **"Grant Letter"** means the letter issued by the Administrator informing an Eligible Employee(s) of the Option(s) granted to him/her for acquiring a specified number of Equity Share(s) at the Exercise Price and as per the Vesting Schedule and/or Vesting Conditions and Exercise Period described therein.
- xviii. **"Independent Director"** means a Director within the meaning of Section 149(6) of the Companies Act read with Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- xix. **"Misconduct"** means any of the following acts or omissions by an Employee in addition to any provisions prescribed in the offer or Terms of Employment amounting to violation or breach of Terms of Employment as determined by the Nomination and Remuneration Committee after giving the Employee an opportunity of being heard, wherever required:
 - a. committing of any act warranting summary termination under law; or
 - b. conduct which in the reasonable opinion of the Nomination and Remuneration Committee amounts to a serious breach by an Option Grantee of the obligation of trust and confidence to his employer; or
 - c. A finding by the Nomination and Remuneration Committee that an Employee has committed any material or consistent breach of any of the terms or conditions of the Employee service agreement including any willful neglect of or refusal to carry out any of his duties or to comply with any instruction given to him by the Committee; or
 - d. being convicted of any criminal offence; or
 - e. being disqualified from holding office in the Company or any other company under any legislation or being disqualified or disbarred from membership of, or being subject to any serious disciplinary action by, any regulatory body within the industry, which undermines the confidence of the Committee in the individual's continued employment; or
 - f. having acted or attempted to act in any way which in the opinion of the Committee has brought

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- or could bring the Company or any other member of the group into disrepute or discredit; or
- g. breach or violation of any Company Policies/ Terms of Employment; and
- h. Any other act or omission not included above, but defined as misconduct in the Company's rules or Employee handbook and / or employment agreement and/or appointment letter.
- xx. **"Nominee"** means the nominee as notified by the Eligible Employee(s) to the Company in the Nomination Form.
- xxi. **"Nomination Form"** means the form set out in **Schedule II** which the Eligible Employee(s) is required to deliver to the **Company** notifying his/her Nominee in accordance with the term of the Scheme.
- xxii. **"Option"** means the stock option(s) granted to an Eligible Employee(s), which gives such Eligible Employee(s) the right, but not an obligation, to purchase or subscribe at a future date to the Equity Share(s) underlying the option at the Exercise Price.
- xxiii. **"Option Grantee"** means an Employee who has been granted an Option and who has accepted such Grant as required under the Plan and shall deem to include nominee/ legal heir of an Option Grantee in case of his/her death to the extent provisions of the Plan are applicable to such nominee/ legal heir.
- xxiv. **"Permanent Incapacity"** means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Nomination and Remuneration Committee based on a certificate of a medical expert identified by the Company.
- xxv. **"Promoter"** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended.
- xxvi. **"Promoter Group"** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended.
- Provided that where the Promoter or promoter group of the Company is a body corporate, the Promoters of that body corporate shall also be deemed to be Promoters of the Company.
- xxvii. **"Retirement"** means retirement as per the rules of the Company.
- xxviii. **"SEBI SBEB & SE Regulations"** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and re-enacted from time to time, and includes any clarifications or circulars issued thereunder.
- xxix. **"Shares"** means Equity shares of the Company of face value of Rs. 10/- (Rupees Ten only) each fully paid-up including the equity shares arising out of the Exercise of Options granted under "TAC Employee Stock Option Scheme 2024".
- xxx. **"Tax" or "Taxes"** means any income tax or other taxes imposed on the Company or on an Eligible Employee(s) including with respect to the Grant and/or Exercise of the Option(s) under the ESOP 2024.
- xxxi. **"TAC Employee Stock Option Scheme 2024"** means the 'TAC Employee Stock Option Scheme 2024' under which the Company is authorized to grant Options to the Employees.

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- xxxii. **"Stock Exchange"** means the National Stock Exchange of India Limited Emerge Platform, or any other recognized stock exchanges in India on which the Company's Shares are listed or to be listed in future.
- xxxiii. **"Subsidiary Company(ies)"** means any present or future subsidiary company(ies) of the Company as per the provisions of the Companies Act, 2013.
- xxxiv. **"Unvested Option"** means an Option in respect of which the relevant Vesting Conditions have not been satisfied and as such, the Option Grantee has not become eligible to Exercise the Option.
- xxxv. **"Vesting"** means earning by the Option Grantee, of the right to Exercise the Options granted to him in pursuance of the TAC Employee Stock Option Scheme 2024.
- xxxvi. **"Vesting Condition"** means any condition subject to which the Options granted would vest in an Option Grantee.
- xxxvii. **"Vesting Period"** means the period commencing from the Grant Date and expiring on the date on which the Option Holder(s) becomes eligible to Exercise the Option(s) as per the Vesting Schedule as provided in Clause 7 of this Scheme.
- xxxviii. **"Vested Option"** means an Option in respect of which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible to Exercise the Option.

All other words and expressions used and not defined herein shall have the same meaning assigned to it under the Act or SEBI (SBEB and SE) Regulations, as applicable.

2.2 INTERPRETATION

In this Scheme, unless the contrary intention appears:

- a) The clause headings are for ease of reference only and shall not be relevant to interpretation;
- b) A reference to a clause number is a reference to its sub-clauses;
- c) Words in singular number include the plural and vice versa;
- d) Words importing a gender include any other gender; and
- e) A reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.

Words and expressions used and not defined here but defined in the Securities and Exchange Board of India (Share Based Employee Benefits and sweat Equity) Regulations, 2021, Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Companies Act, 2013 and any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislation, as the context requires.

3. AUTHORITY AND CEILING:

- 3.1 With the Approval of the shareholders of the Company by way of passing special resolution dated September 08, 2024 the TAC Employee Stock Option Scheme 2024 will be implemented by the Nomination and Remuneration Committee to Grant not exceeding **2,00,000 (Two Lacs)** Options to the eligible Employees in one or more tranches, from time to time, which in aggregate shall be exercisable into not more than 2,00,000 (Two Lacs) Equity Shares of face value of Rs. 10/- (Ten) each fully paid up, with each such Option conferring a right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided by Nomination and Remuneration Committee.

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- 3.2 Under "TAC Employee Stock Option Scheme 2024", the company will issue fresh equity shares when the vested options are exercised by the option grantees.
- 3.3 The maximum number of Options that may be granted per Employee and in aggregate shall be decided by the Nomination and Remuneration Committee depending upon the designation and the appraisal/ assessment process.
- However, the number of Stock Options that may be granted to a single eligible employee, under the "TAC Employee Stock Option Scheme 2024" during any particular financial year **shall be less than 1% of the paid-up equity share capital** at the time of grant of Stock Options.
- 3.4 The aggregate of all such Stock Options under this scheme shall not result into more than 2,00,000 (Two Lacs only) Equity Shares at any time which shall be adjusted in lieu of corporate actions, adjustments/ re-organization of capital structure of the Company from time to time.
- 3.5 If an Option cancels, expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options pool as mentioned in Sub-clause 4.4 and shall become available for future Grants, subject to compliance with all Applicable Laws.
- 3.6 Where Shares are issued consequent upon exercise of an Option under the TAC Employee Stock Option Scheme 2024, the maximum number of Shares that can be issued under TAC Employee Stock Option Scheme 2024 as referred to in Clause 3.1, above shall stand reduced to the extent of such Shares issued.
- 3.7 In case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division or other re-organization of capital structure of the Company, as the case may be, the number of Stock Options and / or the Equity Shares to be allotted upon exercise of Options shall be reasonably adjusted as per the provisions of the ESOS Scheme and in case of sub-division or consolidation of shares then the number of shares and the exercise price shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹10/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such subdivision or consolidation, without affecting any other rights or obligations of the eligible employees who have been granted Stock Options under the "TAC Employee Stock Option Scheme 2024".

4. ADMINISTRATION

- 4.1 The TAC Employee Stock Option Scheme 2024 shall be administered by the Nomination and Remuneration Committee. All questions of interpretation of the TAC Employee Stock Option Scheme 2024 or any Option shall be determined by the Nomination and Remuneration Committee and such determination shall be final and binding upon all persons having an interest in the TAC Employee Stock Option Scheme 2024 or in any Option issued thereunder.
- 4.2 The Nomination and Remuneration Committee shall in accordance with this Scheme and Applicable Laws determine the following:
- (a) The quantum of the Option to be granted under the TAC Employee Stock Option Scheme 2024 per Employee, subject to the ceiling as specified in Para 3.1;
 - (b) the Eligibility Criteria for grant of Option to the Employees;

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- (c) Selecting the Eligible Employee(s) to whom the Option(s) are to be granted;
- (d) Determining the manner in which the Option(s) are to be granted;
- (e) the specific Exercise Period within which the Employee can Exercise the Option and that Option would lapse on failure to Exercise the Option within the Exercise Period;
- (f) the specified time period within which the Employee shall Exercise the Vested Option in the event of termination or resignation or other cases of separation of an Employee;
- (g) 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;
- (h) The procedure for making a fair and reasonable adjustment to the number of Option and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the Committee:
 - (i) the number and the price of Option shall be adjusted in a manner such that total value of the Option remains the same after the corporate action; and
 - (ii) The Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Option Grantees.
- (i) the procedure and terms for the Grant, Vesting, and Exercise of Option in case of Employees who are on long leave;
- (j) the conditions under which Option vested in Employees may lapse in case of termination of employment for misconduct;
- (k) the procedure for cashless Exercise of Option, if required; and
- (l) Approval forms, writings and/or agreements for use in pursuance of TAC Employee Stock Option Scheme 2024.
- (m) Determining the terms and conditions of procedure for funding the Exercise of Option(s), if any;
- (n) 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.
- (o) Framing appropriate procedures and policies for Grant, Vesting and Exercise of Option(s) under the Scheme;
- (p) Determining the Exercise Period within which an Eligible Employee(s) should Exercise Option(s) including in the event of termination and resignation of an Eligible Employee(s);
- (q) Determining the procedure for making a fair and reasonable adjustment to the number of Option(s) and the Exercise Price in the event of any 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: (i) the number and price of Option(s) shall be adjusted in a manner such that the total value to the Eligible Employee(s) of the Option(s) remains the same after the corporate action; and (ii) the Vesting Period and the life of the Option(s) shall be left unaltered as far as possible to protect the rights of the Eligible Employee(s) who has been granted Option(s).
- (r) Determining the procedure and the specific quantum of Vested Option(s) that may be exercised by an Eligible Employee(s) within the Exercise Period;
- (s) Determining conditions under which the Vesting under this ESOP 2024 may be accelerated;
- (t) Determining the manner and the timelines within which an Option Holder(s) shall pay the Exercise Price

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- to the Company, and subject to Applicable Law(s), the manner and the timelines within which the Company shall allot Equity Share(s) to the Option Holder(s);
- (u) Framing suitable policies and systems to ensure that there is no violation of any Applicable Law(s); and
 - (v) Exercising full powers and authority to take all decisions with respect to this Scheme and to implement this ESOP 2024.
- 4.3 The Nomination and Remuneration Committee shall also frame suitable policies and systems to ensure that there is no violation of (a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), (b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 (as amended from time to time), and (c) any other regulation as may be notified by the Securities and Exchange Board of India or any other authority from time to time, by the Company and any Employee.
- 4.4 Where the Option(s) expires, lapses or becomes un-exercisable due to any reason, it shall be brought back in order to be made available for future Grant/ re-grant, subject to compliance with all Applicable Law(s).
- 4.5 The Administrator may at any time amend, discontinue or terminate this ESOP 2024 or any part or portion thereof at any time. Provided that any such amendment, discontinuation or termination that would impair the rights of or is detrimental to the interests of the Option Holder(s) shall not, to that extent, be effective, unless the procedure for such variation as prescribed under the Act and SEBI (SBEB and SE) Regulations has been followed.
- 4.6 For the purpose of efficient implementation and administration of the Scheme and with the prior approval of the Shareholders of the Company by way of a special resolution, the Company/ Administrator may at its discretion revise the terms of the Scheme and/ or terms of the Option(s) already granted under the Scheme subject to the condition that such amendment, alteration, or variation, as the case may be is not detrimental to the interest of Eligible Employee(s) except to meet any regulatory requirement without seeking Shareholders' approval by way of a special resolution.
- 4.7 The Company may also re-price the Option(s) which have been granted but are not exercised, whether or not they have been vested, if the Scheme is rendered unattractive due to a fall in the value of the Share(s), provided that the Company ensures that such re-pricing shall not be detrimental to the interest of the Option Holder(s) and approval of the Shareholders has been obtained for such re-pricing, by way of a special resolution.
- 4.8 Except as provided in this ESOP 2024, none of the Eligible Employee(s) and/or their family members shall acquire any rights of whatsoever nature either under this ESOP 2024 or otherwise, in the Option(s). No Eligible Employee(s) shall have any claim to be granted any Option(s) and there is no obligation on the part of the Company and/or the Administrator for ensuring uniformity of treatment of Eligible Employee(s) and/or Option Holder(s). The terms and conditions of the Option(s) may not be the same for each Eligible Employee(s)/ Option Holder(s), as the case may be.
- 4.9 The Administrator shall interpret the Scheme and shall make all other determination which are necessary or advisable for its administration. In respect of any issues arising in respect of the administration and implementation of the Scheme, the decision of the Administrator shall be final and binding on all Person concerned. The Company, Board and/or the Administrator shall not be liable for any action or determination made in good faith with respect to the Scheme or any Option(s) granted hereunder.
- 4.10 The Administrator may correct any defect, omission or reconcile any inconsistency in the Scheme in the manner and to the extent, the Administrator deems necessary or desirable and to resolve any difficulty in relation to the implementation of the Scheme and take any action which the Board is entitled to take.

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5. ELIGIBILITY AND APPLICABILITY

5.1 Subject to the Applicable Laws and fulfilment of any other criteria as set forth by the Nomination and Remuneration Committee from time to time, the following present and future Employee(s) shall be eligible for the issuance of Option(s) under this Scheme ("**Eligible Employee(s)**"):

- i. an employee as designated by the company, who is exclusively working in India or outside India; or
- ii. a director of the company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director and nominee director; or
- iii. an employee as defined in sub-clauses (i) or (ii), of a subsidiary company, in India or outside India, , but does not include—
 - (a) an employee who is a promoter or a person belonging to the promoter group; or
 - (b) a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company;

5.2 The Plan shall be applicable to the Company, its Subsidiary Company/ies and any successor Company thereof and may be granted to the Employees of the Company and its Subsidiary Company/ies, as determined by the Nomination and Remuneration Committee at its sole discretion.

5.3 The appraisal process for determining the eligibility of the employees will be specified by the Board or the Nomination and Remuneration Committee from time to time, and will be based on criteria, such as level, role / criticality of the employee, length of service with the Company, work performance, and such other criteria that may be determined by the Board or the Remuneration Committee, as applicable, at its sole discretion.

The Board or the Nomination and Remuneration Committee may decide to extend the benefits of the "TAC Employee Stock Option Scheme 2024" to new entrants or to existing eligible employees on such basis as it may deem fit, in accordance with applicable law.

6. GRANT AND ACCEPTANCE OF GRANT

6.1 Grant of Options

- (a) Grants contemplated under the TAC Employee Stock Option Scheme 2024 shall be made on such day and month as decided by the Nomination and Remuneration Committee at its discretion.
- (b) Each Grant of Option under the TAC Employee Stock Option Scheme 2024 shall be made in writing by the Company to the eligible Employees by way of letter of Grant containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Laws.

6.2 Acceptance of the Grant

Any eligible Employee who wishes to accept the Grant made under this TAC Employee Stock Option Scheme 2024 must deliver to the Company a duly signed acceptance of the letter of Grant on or before the date "**Closing Date**" which shall not be more than 30 days from the date of the Grant, as specified in the letter of Grant. On receipt by the Company of the signed acceptance, the eligible Employee will become an Option Grantee.

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

6.4 No amount shall be paid by the Eligible Employee at the time of Grant of Options.



- 6.5 An Option Holder(s) may accept or refuse the whole or part of the Grant of an Option(s). In the event an Option Holder(s) refuses any part of the Grant of Option(s) to him, such Option(s) shall automatically lapse.

7. VESTING SCHEDULE AND VESTING CONDITIONS

7.1 Vesting Conditions

- a) The Option(s) granted under the Scheme shall vest not earlier than a minimum period of 1 (One) year from the Grant Date.
- b) The Vesting schedule for Options granted may be subject to achievement of performance conditions as defined by the Board or Committee for each grant.
- c) Subject to provisions of paragraph 8 of the ESOP Plan on separation rules, Vesting of Options would be subject to continued employment with the Company. In addition to this, the Board or Committee may also specify performance criteria subject to satisfaction of which the Options would vest.
- d) The specific Vesting Schedule and Vesting Conditions subject to which Vesting would take place would be outlined in the Grant Letter issued at the time of the Grant of Options.
- e) The minimum period of Vesting shall be 1 (one) year and not later than the maximum vesting period of 5 (five) years from the date of grant of such Options. The Nomination and Remuneration Committee has power to determine the vesting period which may vary for the eligible employees which will be specified in their Grant Letter, based on the criteria that will be specifically determined by the Committee.

The Nomination and Remuneration Committee may, at its discretion, lay down certain performance metrics for each round of grant, on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance-based vesting and the proportion in which options granted would vest. The exact proportion in which and the exact period over which the options would vest would be determined by the Nomination and Remuneration Committee, subject to the minimum vesting period permitted under the regulations, as amended from time to time.

The Vesting shall occur only while an Optionee is employed with the Company or Subsidiary Company and unless otherwise specified in the Grant Letter, Vesting of all Unvested Options shall cease upon termination of the Optionee's engagement with the Company or Subsidiary Company, for any reason whatsoever, unless expressly provided herein.

Provided further that in a case where Options are granted by the Company to an Optionee as per the ESOP Plan in lieu of options held by the person under an employee stock option plan in another company ("**Transferor Company**") which has merged or amalgamated with the Company, the period during which the options granted by the Transferor Company were held by him/her shall be adjusted against the minimum Vesting period required under this sub-clause.

Notwithstanding anything contained in the Scheme, in case of death or Permanent Incapacity, the minimum Vesting Period of one year shall not apply, and all the Options granted as on date of Death or Permanent Incapacity of Option Grantee shall be deemed to have been vested immediately and accordingly, such Options shall be exercisable by the Option Grantee's nominee or legal heir as per provisions prescribed for Vested Options.

- f) The entire period of a sabbatical/indefinite period of leave/unauthorized absence shall be disregarded for the purposes of calculating any Vesting Period. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Administrator.



- g) Provided that, in the event of death or permanent incapacity, the minimum Vesting Period of One (1) year shall not be applicable and in such instances, the Option(s) shall vest on the date of death or Permanent Disability.
- h) Provided that, no Vesting of Option(s) shall be made where any Cause exist in relation to the Eligible Employee.

7.2 Rights of an Option Holder(s):

The Option Holder(s) shall not be eligible to Exercise any rights as a Shareholder until he either Exercises the Option(s) granted under this ESOP 2024 and Equity Share(s) are allotted in his name by the Company in accordance with the provisions of the Act and this ESOP 2024.

7.3 Vesting of Options in case of Employees on long leave

The period of leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Nomination and Remuneration Committee.

8. EXERCISE

8.1 Exercise Price

- (a) Subject to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Nomination & Remuneration Committee shall determine the Exercise Price of the Options Granted under TAC Employee Stock Option Scheme 2024, as it may deem appropriate in conformity with the applicable accounting policies, if any, provided that the Exercise Price shall not be less than the face value of the Shares and not higher than the prevailing Market Price of the Shares of the Company as on the Grant Date.
- (b) Exercise Price will be intimated to the Option Holder through the Grant Letter. No amount shall be payable at the time of Grant of Options. The Exercise Price shall be subject to any fair and reasonable adjustments that may be made on account of Corporate Actions of the Company in order to comply with the SEBI Regulations.
- (c) Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favor of the Company or by electronic mode through banking channels such as National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), Immediate Payment Service (IMPS) or in such other manner as the Nomination and Remuneration Committee may decide.

8.2 Exercise Period

(a) Exercise while in employment:

Exercise period would commence from the vesting date and would expire within 30 days of Vesting date or such other period as may be decided by the Nomination & Remuneration Committee. If the Options are not exercised within the exercise period they shall lapse and be cancelled forthwith. The Company shall not have any obligations to the Option holder towards such lapsed Options. An employee may exercise the vested Options within the exercise period by submitting a written exercise application to the Company accompanied by the payment of an amount equivalent to the exercise price in respect of such Shares and in such manner and on execution of such other documents, as may be prescribed by the Nomination & Remuneration Committee from time to time.

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(b) Exercise in case of separation from employment:

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

Sr No.	Events of separation	Vested Options	Unvested Options
1.	Resignation (other than due to misconduct)	All the Vested Options as on the date of submission of resignation shall be exercisable by the Option Grantee on or before his/her last working day in the company	All the Unvested Options as on date of submission of resignation shall stand cancelled with effect from date of submission of resignation.
2	Termination (other than due to misconduct/ abandonment)	All the Vested Options as on the date of termination shall be exercisable by the Option Grantee within a period of 30 days from his/ her Termination.	All the Unvested Options as on date of termination shall stand cancelled with effect from the date of such termination.
3	Termination due to misconduct/ abandonment	All the Vested Options at the time of such termination shall stand cancelled with effect from the date of such termination.	All the Unvested Options at the time of such termination Shall stand cancelled with effect from the date of such termination.
4	Retirement	All the Vested Options as on the date of retirement shall be exercisable by the Option Grantee within the period of 30 days from his/ her last working day in the Company.	All Unvested Options on the Date of retirement will be continue to vest in accordance with the respective vesting schedules.
5	Death	All Vested Options may be Exercised by the Option Grantee's nominee or legal heir within a maximum period of One (One) year from the date of Vesting of Options.	All the Unvested Options as on date of death shall, vest immediately in the Option Grantee's nominee or legal heir and can be exercised within a maximum period of One (One) year from the date of Vesting of Options.
6	Permanent Incapacity	All Vested Options may be exercised by the Option Grantee's or his/ her nominee or legal heir, as the case may be, within a maximum period of One (One) year from the date of Vesting of Options.	All the Unvested Options as on date of incurring of such Permanent Incapacity shall vest immediately in the Option Grantee or his/ her nominee or legal heir, as the case may and can be exercised within a maximum period of One (One) year from the date of Vesting of Options.
7	Any other event not specified above	As decided by the Committee and such decision shall be final.	As decided by the Committee and such decision shall be final.

8.3 Lapse of Options

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



9. LOCK-IN

The Shares arising out of Exercise of Vested Options shall not be Locked-in.

10. EXIT ROUTE IN CASE OF DE-LISTING

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

11. RESTRICTION ON TRANSFER OF OPTIONS

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

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

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

12. RIGHTS AS A SHAREHOLDER:

12.1 The Employee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a shareholder in respect of Options granted, till Shares underlying such Options are issued by the Company upon Exercise of such Option.

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

12.3 If the Company issues bonus shares or rights shares, the Option Grantee shall not be eligible for the bonus or rights shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with sub-clause 4.2 (f) of TAC Employee Stock Option Scheme 2024.

13. DEDUCTION/RECOVERY OF TAX

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

13.2 The Company/ Subsidiary Company (ies) shall have the right to deduct from the Employee's salary or recover any tax that is required to be deducted or recovered under the Applicable Laws. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.

13.3 The Company shall have no obligation to deliver Shares until the Company's tax deduction obligations, if any, have been satisfied/ secured by the Option Grantee in full.



14. AUTHORITY TO VARY TERMS

- 14.1** For the purpose of efficient implementation and administration of TAC Employee Stock Option Scheme 2024 but subject to the Applicable Laws, Committee with subject to approval of members, may revise any of the terms and conditions in respect of existing or any new grant of Options provided that the variation is not be prejudicial to the interest of the Employees.
- 14.2** The Committee may also re-price the Options which are not exercised, whether or not they have vested, if scheme is rendered unattractive due to fall in the price of the Shares.

15. MISCELLANEOUS

15.1 Government Regulations

This TAC Employee Stock Option Scheme 2024 shall be subject to all Applicable Laws, and approvals from government & Regulatory authorities. The Grant and the allotment of Shares under this TAC Employee Stock Option Scheme 2024 shall also be subject to the Company requiring Employees to comply with all Applicable Laws, Rules and Regulations.

15.2 Inability to obtain authority

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

- 15.3** Neither the existence of this TAC Employee Stock Option Scheme 2024 nor the fact that an individual has on any occasion been granted an Option shall give such individual any right, entitlement or expectation that he has or will in future have any such right, entitlement or expectation to participate in this TAC Employee Stock Option Scheme 2024 by being granted an Option on any other occasion.

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

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

15.6 General Risks

Participation in the TAC Employee Stock Option Scheme 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 associated with the investments is that of the Option Grantee alone.

- 15.7** The existence of the TAC Employee Stock Option Scheme 2024 and the Grants made hereunder shall not in any way affect the right or the power of the Board or the shareholders of the Company to make or authorize any change in the 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 or from making any corporate action which is deemed to be appropriate or in its best interest, whether or not such action would have an adverse effect on



the TAC Employee Stock Option Scheme 2024 or any Grant made under the TAC Employee Stock Option Scheme 2024. No Employee or other person shall have any claim against the Company as a result of such action.

- 15.8 Nothing contained in the TAC Employee Stock Option Scheme 2024 shall be construed to prevent the Company directly or through any trust settled by any company, from implementing any other new scheme for granting stock options and/or share purchase rights, which is deemed by the Company to be appropriate or in its best interest. No Employee or other person shall have any claim against the Company and/or trust as a result of such action.

16. ACCOUNTING AND DISCLOSURES

The Company shall follow the requirements including the disclosure requirements of the accounting standards as may be prescribed by the Central Government in terms of Section 133 of the Act, or any other appropriate authority, from time to time, including any guidance note on the Accounting for employee share-based payment issued in that regard from time to time and the disclosure requirement prescribed therein, in compliance with relevant provisions of Regulation 15 of SEBI (SBEB and SE) Regulations.

17. CERTIFICATE FROM AUDITORS

As per the requirements of Applicable Law, the Committee shall at each Annual General Meeting place before the shareholders a certificate from the Secretarial Auditors of the Company that the TAC Employee Stock Option Scheme 2024 has been implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in accordance with the resolution of the Company in the general meeting.

18. GOVERNING LAWS

- 18.1 The terms and conditions of the TAC Employee Stock Option Scheme 2024 shall be governed by and construed in accordance with the Applicable Laws of India (including any statutory modification (s) or amendment(s) thereto or re-enactment (s) thereof, for the time being in force) including the Foreign Exchange Laws mentioned below.

18.2 Foreign Exchange Laws

In case any Options are granted to any Employee being resident outside India belonging to the Company/ its Subsidiary Company (ies), working outside India, the provisions of the Foreign Exchange Management Act, 1999 and rules or regulations made thereunder as amended and enacted from time to time shall be applicable and the Company has to comply with such requirements as prescribed from time to time in connection with Grant, Vest, Exercise of Options, and issue of Shares thereof.

19. NOTICES

- 19.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this TAC Employee Stock Option Scheme 2024 shall be in writing.

The communications shall be made by the Company in any one or more of the following ways:

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



address provided by the Option Grantee.

- 19.2 All notices of communication to be given by an Option Grantee to the Company in respect of TAC Employee Stock Option Scheme 2024 shall be sent to the address mentioned below:

To,

The Company Secretary

TAC Infosec Limited

Regd.Off: 08th Floor, Plot No.C-203, Industrial Focal Point, Phase 8B, Balongi, Rupnagar, S.A.S.Nagar (Mohali), Punjab, India, 160055

E-mail: company.secretary@tacsecurity.com

20. NOMINATION

An Option Grantee has to nominate a person as his/her nominee. The nominee in case of Death or Permanent Incapacity of the Option Grantee shall be the legal representative recognized by the Company as the inheritor of the Option Grantee in respect of all rights and liabilities for the purposes of TAC Employee Stock Option Scheme 2024.

21. JURISDICTION

- 21.1 The Courts in Chandigarh, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this TAC Employee Stock Option Scheme 2024.

- 21.2 Nothing in this Sub-clause will however limit the right of the Company to bring proceedings against any Employee in connection with this TAC Employee Stock Option Scheme 2024:

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

22. LISTING OF THE SHARES

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

23. SEVERABILITY

In the event any one or more of the provisions contained in this TAC Employee Stock Option Scheme 2024 shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this TAC Employee Stock Option Scheme 2024, but shall be construed as if such invalid, illegal, or unenforceable provision had never been set forth herein, and the TAC Employee Stock Option Scheme 2024 shall be carried out as nearly as possible according to its original intent and terms.

24. CONFIDENTIALITY

- 24.1 An Option Grantee must keep the details of the TAC Employee Stock Option Scheme 2024 and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, and co-employees or with any employee and/ or associate of the Company or that of its affiliates.



- 24.2** In case Option Grantee is found in breach of this confidentiality Clause, the Company has undisputed right to terminate any agreement and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality Clause shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this clause, the Committee shall have the authority to deal with such cases as it may deem fit.
- 24.3** On acceptance of the grant of Option offered by the Company, it shall be deemed that as if the Option Grantee has authorized the Company to disclose information relating to the Option Grantee during the process of implementation of the TAC Employee Stock Option Scheme 2024 or while availing any consulting or advisory services thereof or any other incidental services to its officers, professional advisors, agents and consultants on a need-to-know basis.

Dated this September 08, 2024

For and on behalf of the Board



Name: Charanjit Singh

Designation: Whole Time Director

SCHEDULE I
FORM OF APPLICATION FOR EXERCISE OF OPTION(S)

Date:

To,

The Board of Directors/ Committee of Board,
TAC Infosec Limited

Subject: Application for Exercise of Option(s)

Capitalised terms used herein but not defined have the same meaning as assigned to them under the TAC Employee Stock Option Scheme 2024 ("Scheme")

This is with reference to <<>> Option(s) granted to me by grant letter dated <<>> in accordance with the Scheme ("Grant Letter"). In accordance with the Vesting Schedule and/or Vesting Conditions as set forth in the Grant Letter <<>> Option(s) are Vested Option(s) which are available for Exercise in accordance with the terms and conditions of the Scheme.

I hereby agree to subscribe to the Equity Share(s) of TAC Infosec Limited. ("Company") and be bound by the terms and conditions of the Articles of Association, the Scheme, as may be amended from time to time.

Grant and Exercise details

Particulars	Date	Number of Option(s)
Total Option(s) granted		
Vested Option(s)		
Option(s) being exercised		

Payment details:

Amount:	
Mode of payment and details: (Cheque/DD/NEFT/RTGS)	
Bank details:	
Beneficiary Name:	
Bank Name:	
Branch Address:	
IFSC:	

Demat details:

D.P. Name	
DP Id	
Demat Account Number	

I hereby declare that the amount remitted by me has been derived through legitimate sources only and do as not involve and is not designed for the purpose of contravention of any Law.





I further declare that the information furnished above is correct and true and I am subscribing for the said Share(s) for myself and not as a nominee for any other Person.

Name in full: _____

Designation: _____

Address: _____

Nationality: _____

Passport No.: _____

Signature: _____

Date: _____

James Anas



SCHEDULE II
FORMAT OF NOMINATION FORM

Date:

To,

The Board of Directors/ Committee of Board,

TAC Infosec Limited

Subject: Details of nomination

Capitalised terms used herein but not defined have the same meaning as assigned to them under the TAC Employee Stock Option Plan-2024 ("Scheme")

This is with reference to <<>> Option(s) granted to me by grant letter dated <<>> in accordance with the Scheme ("Grant Letter").

In respect of the Option(s) granted to me under the Grant Letter and which have been accepted by me, I hereby nominate the following natural Person, as my Nominee, to exercise the Option(s) to which I am entitled to and to receive the underlying Equity Share(s) in accordance with the provisions of the Scheme, in the event of my death.

Name of the nominee	
Date of birth of the nominee	
Address of the nominee	
Relationship with the nominee	
Any Identification i.e PAN/Aadhar/Passport/ Any other government recognized proof	

This nomination supersedes, revokes and replaces all nominations, if any, made by me prior to the date hereof.

Signature of the Eligible-Employee	
Name of witness	
Signature of witness	
Address of witness	

Sanjiv Anand

