
RATEGAIN EMPLOYEES STOCK OPTION SCHEME – 2018

Approved by the Board on 01/06/2018

Approved by the Shareholders on 01/06/2018



RateGainTravel Technologies Ltd.

Employees Stock Option Scheme

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Part-A

Statement of Risk

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Scheme, including the risks and uncertainties described below, before making an investment in the Equity Shares. If our business, profitability and financial condition gets affected, the price of our Equity Shares could decline, and you may lose all or part of your investment in the Equity Shares. Unless specified or quantified in the Scheme, we are not in a position to quantify the financial or other implication of any of the risks. ESOPs are subject to the following additional risks:

1. **Concentration:** The risk arising out of any fall in value of shares is aggravated if the employee's holding is concentrated in the shares of a single company.
2. **Leverage:** Any change in the value of the share can lead to a significantly larger change in the value of the option as an option amounts to a leveraged position in the share.
3. **Illiquidity:** The options cannot be transferred to anybody, and therefore employees cannot mitigate their risks by selling the whole or part of their options before they are exercised.
4. **Vesting:** The options will lapse if the employment is terminated prior to vesting. Even after the options are vested, the unexercised options may be forfeited if the employee is terminated for gross misconduct.
5. **Market Risk:** The Employee can experience losses due to factors that affect the overall performance of the financial markets, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers, political turmoil, recessions, changes in interest rates and terrorist attacks.

Part B:

Profile of the Company

RATEGAIN TRAVEL TECHNOLOGIES LIMITED a company incorporated under the Companies Act 1956 and having its registered office at M -140 Greater Kailash, Part-2 New Delhi, Delhi.

The Company along with its Subsidiaries is in the business of hospitality and travel software technology solutions for revenue management decision support, rate intelligence, seamless electronic distribution and brand engagement and streamlining of operations and sales of customers (the "Business")



Abridged Financial Information's

<<<<shall be inserted>>>>



Continuing Disclosure Requirement

The Grantee may be given access to copies of all documents that are sent to the members of the Company. This shall include the annual accounts of the company and the accompanying explanatory statements. However, the option grantee will not be entitled to attend and vote in the meeting.

Risk Factors

The risk and uncertainties include, but are not limited to, risks and uncertainties regarding fluctuation in earning rates, our ability to manage growth, intense competition in our areas of services including those factors which may affect our cost advantage, our ability to attract and retain skilled highly professional, time and cost overruns on fixed price contracts, client concentration, our ability to manage our marketing and sales operation, reduced demand for our keys focus area, liability for damages on our services, withdrawal of governmental fiscal incentives, political instability, legal restriction, and general economic Conditions affection our industry.

Management perception: Some of the risks are normal to the nature of industry in which the company operates and some others are beyond the control of the Company.

Part-C Salient Features of the Scheme

1. Introduction of the Scheme or Title:

This Employee Stock Option Scheme shall be called “The Rategain Employee Stock Option Scheme – 2018” or “the scheme”. The scheme has been approved by the Board of Directors of the Company on 01st June, 2018 and the same was approved by the members of the Company vide Ordinary Resolution on 01st June, 2018. The scheme will be effective from 01st June, 2018 being the date of shareholders’ approval. The Scheme has been modified pursuant to the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, and approved by the Board of Directors and the Shareholders of the Company on August 5, 2021 and August 6, 2021, respectively. Further amended, and approved by the Board of Directors and the Shareholders of the Company on August 16, 2021 and August 16, 2021, respectively



It applies only to the eligible employees of the Company and its subsidiary (both Indian as well as foreign) companies whether now or hereafter existing, who are in permanent employment such company(s)

2. **Purpose/Objects of the Scheme:**

The Scheme has been formulated, keeping in mind the objectives of engaging key Employees with the Company and encouraging their efforts to make the Company more successful. In furtherance thereof, this Scheme is designed to provide equity-based incentives to key Employees of the Company.

The Purpose of the Scheme includes the followings:

- a) To motivate the employees to contribute to the growth and profitability of the Company.
- b) To retain the key employees and reduce the attrition rate of the Company.
- c) To provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company.
- d) To achieve sustained growth and the creation of shareholder value by aligning the interests of the employees with the long term interests of the Company.
- e) To create a sense of ownership and participation amongst the employees to share the value they create for the Company in the years to come, and
- f) To provide additional deferred rewards to employees.

3. **Definitions:**

In this Scheme, except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against.

- 3.1 “**Applicable Law**” includes every law relating to Employee Stock Options in force, including, without limitation to, Companies Act, 2013, Securities and Exchange Board of India Act, 1992 the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred as SEBI Regulation), Listing Agreement entered with the Stock Exchange(s) where the securities of the



Company are listed and includes any statutory modifications or re-enactments thereof, and including any enactment, re-enactment, amendment, modification or alteration thereof.

3.2 “**Board**” means the Board of Directors of the Company and includes any Committee(s) consisting of one or more members of the Board and/ or one or more officials of the Company which the Board may constitute to exercise powers of the Board.

3.3 “**Company**” means Rategain Travel Technologies Limited, a Company limited by shares, incorporated and registered under the Companies Act, 1956 and presently having its registered office at M – 140, Greater Kailash Part – II, New Delhi – 110048.

3.4 “**Corporate action**” means a change in the capital structure of the Company as a result of re-classification of Shares, sub-division of Shares, consolidation, issue of bonus Shares, conversion of Shares into other shares or Securities of the Company and any other change in the rights or obligations in respect of Shares, issue of shares on rights basis and any other form of equity share issuance.

3.5 “**Director**” shall mean a director on the Board, duly appointed in terms of the Companies Act.

3.6 “**Employee**” means-

- I. A permanent employee of the Company who has been working in India or outside India; or
- II. A director of the Company, whether a whole time director or not, Including a non-executive director who is not a promoter or member of the promoter group but excluding an independent director; or
- III. An employee or director as per (i) and (ii) above, of present and future of a group company including subsidiary or associate Company(ies) of the Company;

But does not include:

- I. An employee who is a promoter or a person belonging to the promoter group; or



- II. A director who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.
- 3.7 “**Eligibility Criteria**” means the criteria, as may be determined from time to time by the Board based on appraisal process including loyalty, performance and designation of an Employee in the Company and subsidiary Company (ies).
- 3.8 “**Eligible Employee**” means the Employees as may be determined to be eligible to be Granted Employee Stock Options under this Scheme by the Board Nomination and Remuneration Committee.
- 3.9 “**Exercise**” means making of an application by the Employee to the Company for issuance of shares or appreciation in form of cash, as the case may be, against the Vested Options in the Employee/ Beneficiary in pursuance to this Scheme on payment of the exercise Price, as the case may be.
- 3.10 “**Exercise date**” means the date on which the Employee exercises his Vested Options and in case of partial exercise shall mean each date on which the employee/Beneficiary exercises part of his Vested Options.
- 3.11 “**Exercise Period**” means the time period after vesting within which an employee should exercise his right to apply for shares against the vested option in pursuance of the Scheme.
- 3.12 “**Exercise Price**” means the price payable by the Grantee for exercising the options granted to him and vested in him in pursuance to the Scheme. Under this Scheme, the Exercise Price will be informed to the Grantee, by the Board, through grant letter.
- 3.13 “**Grant**” means the process by which the Company issues options to the grantee.
- 3.14 “**Grant Date**” means the date of meeting of the Nomination and Remuneration Board[on which the Options are granted to an employee by the Board under the Scheme.
- 3.15 “**Grant Letter**” means the letter by which Grant of Options is communicated to the Grantee.
- 3.16 “**Grantee**” shall mean an eligible employee at the time of Grant of the Option to be eligible to participate under the Scheme.
- 3.17 “**Market Price**” means the latest available closing price on recognised stock exchange on which the shares of the Company are listed on the date immediately prior to the 'relevant



date'.

Explanation,—If such shares are listed on more than one recognised stock exchange, then the closing price on the recognised stock exchange having higher trading volume shall be considered as the market price;

- 3.18 “**Option**” means a right, but not an obligation to purchase or subscribe at a future date, the shares offered by the Company, directly or indirectly, at a pre- determined price, in accordance with this Scheme.
- 3.19 “Promoter” shall have the meaning ascribed to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- 3.20 “Promoter Group” shall have the same meaning ascribed to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- 3.21 “**Scheme**” or “**Scheme**” shall mean the Rategain Employee Stock Option Scheme – 2018 and shall include any alteration(s), amendment(s), addition(s), deletion(s), modification(s), or variation(s) thereof from time to time.
- 3.22 “**Share**” means an equity share of the Company.
- 3.23 “Stock Exchange” means, a stock exchange, whether within or outside India, which is notified/recognized by any government authority as a stock exchange, for the purpose of trading in shares/securities.
- 3.24 “Subsidiary” means a subsidiary of the Company, whether now or hereafter existing as defined under section 2(87) of the Companies Act. 2013.
- 3.25 “SEBI” means the Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992.
- 3.26 “SEBI Regulations” means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and amendments thereto.
- 3.27 “**Termination Date**” means the date of termination of employment of the employee with the Company.
- 3.28 “**Unvested Option**” means an Option, which is not vested.



3.29 “**Vest/ Vesting**” means the process by which the employee becomes entitled to receive the benefit of a grant made to him under the Scheme.

3.30 “**Vesting period**” means the period during which the Vesting of the Options Granted to the employee in pursuance of the Scheme takes place.

3.31 “**Vested Option**” means an Option, which has Vested in pursuance to the Scheme hereof with the Employee/Beneficiary and has thereby become exercisable.

3.32 “**Vesting Date**” means the date on and from which the Option vests with the employee/Beneficiary and there by becomes exercisable.

Interpretation:

In this document, unless the contrary intention appears:

- The singular includes the plural and vice versa;
- The word “person” includes an individual, a firm, a body corporate or unincorporated body or authority; and
- Any word or expression importing the masculine, feminine or neuter genders only, shall be taken to include all three genders.
- Any word which is not defined under the scheme shall be interpreted in line with Companies Act, 2013 and any other applicable laws and rules.
- Article headings are for information only and shall not affect the construction of this document.
- A reference to an Article or Schedule is respectively a reference to an Article or Schedule of this document. The Schedules to this document shall for all purposes form part of this document.
- Reference to any Act, Rules, Statute or Notification shall include any statutory modification, substitution or re-enactment thereof.

Article Headings

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

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.

4. Implementation & Administration:

4.1 Subject to Applicable Laws, and the broad policy and the framework laid down by the Board of Directors, the scheme shall be administered by the Nomination and Remuneration Committee. The Committee is authorized to interpret the scheme, to establish, amend and rescind any rules and regulations relating to the scheme and to make any other determinations that it deems necessary or desirable for the administration and implementation of the scheme. The Committee may correct any defect, omission or reconcile any inconsistency in the scheme in the manner and to the extent the Committee deems necessary or desirable.

5. Nomination and Remuneration Committee

5.1 The Nomination and Remuneration Committee of the company means the committee already constituted or as may be re-constituted by the Board of Directors from time to time, for effective administration of the Scheme as provided under regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or modified from time to time. This Committee for all purposes under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be considered as Nomination and Remuneration Committee. The committee shall be entitled to invite any person to attend its meetings and participate in the discussion and deliberations, if it may so deem fit. The committee, in exercise of its powers, may require any information from the Company, and/or seek the assistance of any Employee of the Company/ subsidiary companies as it may deem fit to fully and effectively discharge its duties.

5.2 The powers of the Committee, inter alia, include the power to formulate detailed terms and conditions of the Employees Stock Option Plan (ESOP) including:

i. Identify employees eligible to participate in the Scheme.

ii. Grant Options to the eligible employee and determine the Grant date.



- iii. Determine the number of Options to be granted to each Grantee and in aggregate subject to the maximum number of options as specified under the Scheme.
- iv. Decide the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee.
- v. Accelerate the vesting of options on a case to case basis, as the committee deems fit, subject to completion of minimum 1 year from the date of grant of options.
- vi. Decide upon 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.
- vii. The Vesting and Exercise of option in case of employees who are on long leave i.e. who are on leave of more than 3 months.
- viii. 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.
 - the number and price of options shall be adjusted in a manner such that total value to the employee of the options remains almost the same after the corporate action;
 - the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the employee(s) who is granted such options
- ix. Determine the method for exercising the Vested Options, period of Exercise, etc.
- x. Determine the Exercise price of the Options Granted.
- xi. Obtaining permissions from, making periodic reports to regulatory authorities, as may be required and ensuring compliance with all guidelines applicable in this regard;
- xii. the conditions under which Options may vest in Employees and may lapse in case of termination of employment for misconduct;
- xiii. Specify the time period within which the Employees shall exercise the options vested in him in the event of his termination or resignation



- xiv.** Re-pricing of the options which are not exercised, whether or not they have been vested, if Employee Stock Options rendered unattractive due to fall in the price of the shares in the market.
- xv.** Determine the terms and conditions, not inconsistent with the terms of the Scheme, of any Option granted hereunder.
- xvi.** Approve letters and other documents, if any, required to be issued under the Scheme.
- xvii.** Transferability of employee stock options.
- xviii.** Decide all other matters that must be determined in connection with an Option under the Scheme in accordance with the Act.
- xix.** Construe and interpret the terms of the Scheme, and the Options Granted pursuant to the Scheme.
- 5.3 The Committee shall not be personally liable for any decision or action taken in good faith with respect to the Scheme.
- 5.4 A member on the Board of Committee shall abstain from participating in and deciding on any matter relating to grant of any Option to him.
- 5.5 The Company proposes to implement the scheme through direct route for extending benefits to employees by way of fresh allotment and will follow cash mechanism.
- 5.6 The committee is authorized to interpret the Scheme, to establish, amend and rescind any rule(s) and regulation(s) relating to the Scheme and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Scheme.
- 5.7 Any decision of the committee in the interpretation and administration of the Scheme, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all the parties concerned (including but not limited to, Grantee and/or employee and their beneficiaries or successors).
- 5.8 The powers and functions of the committee can be specified, varied, altered or modified from time to time, subject to the rules and regulations as may be in force.



The Board may further provide that the committee shall exercise certain powers only after consultation with the Board and in such case, the said powers shall be exercised accordingly.

5.9 To ensure there should be no violation of: -

(i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

(ii) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations 1995.

6. Share Pool:

6.1 The maximum number of options that may be issued pursuant to this Scheme is 31,000 (Thirty-One thousand) options. Each options shall be entitled, at the time of exercise, 120 equity shares of Rs. 1 each adjusted proportionately for corporate action undertaken for split and bonus till date.

6.2 If any Option granted under the Scheme lapses or forfeited or surrendered under any provision of the Scheme, such Option shall be available for further grant under the Scheme as per the discretion of the Board. The Board will have powers to re-Grant such Options.

6.3 Further, the maximum number of options that can be granted / shares that can be issued shall stand automatically enhanced in case of corporate actions such as right issue, bonus issue, merger, share split, sale of division and others etc. The Committee reserves the right to increase or reduce such number of shares as it deems fit, in accordance with the Applicable Laws.

7. Appraisal and Eligibility of an Employee:

The Board shall on the basis of the following criteria, including but not limited to, decide on the Employees who are eligible for the grant / vesting of Options under the Scheme and the terms and conditions thereof.

- i. Loyalty: It will be determined on the basis of tenure of employment of an Employee in the Company.
- ii. Performance: Employee's performance during the financial year on the basis of the parameters decided by the management.



- iii. Designation: Employee's designation in the Career Group as per the HR Policy of the Company.
- iv. The present and potential contribution of the Employee to the success of the Company,
- v. High market value/difficulty in replacing the Employee,
- vi. High risk of losing the Employee to competition, and
- vii. Value addition by the new entrant, if any

New Joinees can also participate in the Scheme based upon the discretion of the Board.

Nothing in the Scheme or in any Option granted pursuant to the Scheme shall confer on any individual, any right to continue in the employment of the Company or interfere in any way with the right of the Company to terminate the individual's employment at any time.

8. Grant of Options:

- 8.1 The Board, in accordance with the terms and conditions of the Scheme for the time being in force and subject to Employee's continuity in the employment, his performance, hierarchy and other parameters as set out by the Board in accordance with the Part G of Schedule -I of the amended regulation, grant options to one or more employees. No amount shall be payable by an employee at the time of grant of Options.
- 8.2 The Board shall not grant Options to any Eligible Employee during any one year, equal to or exceeding 1% of the issued capital of the Company at the time of grant of Options (excluding outstanding warrants and conversions),, except otherwise approved by the shareholders in a general meeting.
- 8.3 Each Option granted shall be advised to the Grantee in writing, specifying the vesting date, number of Options granted, the Exercise Price, the Vesting schedule of the Option, the earliest date on which the Options under the grant shall be eligible for Vesting, and other terms and conditions thereof.
- 8.4 Unless agreed otherwise between the Company and any employee and subject to the Corporate Action(s) taken by the Company, if any, the grant of 1 (One) Option to an employee under this Scheme shall entitle the holder of the Option to apply for 1 (One) Equity Share in the Company upon payment of Exercise Price.



8.5 The option granted to the employees shall not be transferable to any other person.

Subject to applicable laws, the company may fund or permit the empanelled stock brokers to make suitable arrangements to fund the employee for payment of exercise price, the amount necessary to meet his/her tax obligations and other related expenses pursuant to exercise of options granted under the Scheme and such amount shall be adjusted against the sale proceeds of some or all the shares of such employee.

8.6 The option granted to the employees shall not be pledged, hypothecated, mortgaged or otherwise encumbered or alienated in any other manner.

9. Method of Acceptance:

9.1 Any Grantee who wishes to accept the Grant made pursuant to Article 7 of the scheme, must deliver a signed copy of grant letter to the Board or any of its authorized representatives within 30 days from the date of receipt of the grant letter.

Any Grantee who fails to return the signed copy of grant letter within the above mentioned time shall, unless the Board determines otherwise, be deemed to have rejected the Grant.

If acceptance from the Employee is not received within aforesaid period, it shall be treated as rejection of offer and the Company is not liable to pay any amount on such rejection.

9.2 Employee is not required to pay any amount towards the Exercise price at the time of acceptance of the offer. Any Acceptance letter received after the period stated above shall not be valid.

9.3 Subject to the terms contained herein, the acceptance in accordance with this Article, of a Grant made to a Grantee, shall conclude a contract between the Grantee and the Company, pursuant to which each Option shall, on such acceptance, be an Unvested Option.

10. Vesting of Options:

10.1 Vesting period shall commence after 1 (One) year from the date of grant of Options and it may extend up to 4 (four) years from the date of grant in the manner prescribed by the Board/Committee.



- 10.2 The vesting of options can be either half yearly or yearly, which will vary from employee to employee as may be decided by the Board. The vesting schedule of the grantee will be clearly defined in their grant letter.
- 10.3 Actual vesting of options in the hands of the employee, shall further be evaluated on the basis of the grade of the Employee, in Annual Performance Appraisal system of the Company. Upon vesting the Actual vesting of Options will be communicated in writing to the employees.
- 10.4 The Board/Committee shall have the power to modify or accelerate the vesting schedule on a case-to-case basis subject to the minimum gap of 1 (One) Year between the grant and vesting for reasons to be recorded in writing. Further the provision of SPEB Regulations relating to minimum vesting period of one year shall not apply in case of death (for any reason, happen on or after April 1, 2020) of an employee and in such instances all the options granted to such employee(s) shall vest with his/her legal heir or nominee on the date of death of the employee.
- 10.5 The options which get lapsed due to Performance Appraisal in any of the vesting, will get lapsed from the hands of the employee and will add-back to the pool of un-granted options of this Scheme and will be available for further grants under the Scheme.

In addition to the terms of this Scheme, the Board may also specify certain other parameters or any other terms and conditions (such as that the Options would vest subject to a lapse of time, or meeting certain performance parameters, or a combination of both) in the grant letter subject to which the Options would Vest.

The specific vesting schedule, vesting date(s), vesting Conditions and any other conditions subject to which vesting would take place would be outlined in the grant letter given to the Option grantee at the time of grant of Option. Subject to Applicable Laws, in case of any conflict or inconsistency between the grant letter and the terms of this Scheme, the terms of the grant letter shall prevail, provided the key terms of such grant letter shall be in furtherance to the provisions of this Scheme.

11. Exercise of Options:

The Optionee may, at any time during the Exercise Period, and subject to fulfilment of the conditions on which the Options have been granted, Exercise the vested Options by submitting an application along with the Exercise Price and the applicable taxes, to the



Committee in the 'Exercise Form to issue and allot him Shares pursuant to the vested Options, at an Exercise Price and such other writing, if any, as the Committee may specify to confirm extinguishment of the rights comprising in the Options upon exercise.

The Employee shall mandatorily Exercise the options vested, within a period of 36 months after the options got vested as per the allotment plan. If not Exercised during the stipulated time, the options shall stand lapsed irrevocably.

The Employee shall exercise the options vested in him by exercising the options at any time before the expiry of exercise period, but as per the allotment plan announced, from time to time, by the committee, after giving 30 days prior notice.

Upon allotment of the shares, the Option grantee shall become member of the Company. The Shares to be allotted shall rank pari-passu in all respects within the then existing Equity Shares of the Company.

Notwithstanding anything contained elsewhere in the Scheme, the Board may not permit the Exercise of any Options (whether vested or not) granted to an Option grantee, in the event of the Option grantee being found to be involved in fraud, misfeasance, gross negligence, breach of trust or like event(s) and in such an event(s) the rights under the Options (whether vested or not) shall lapse, forthwith, without any claim on, or recourse to the Company.

If the Exercise of Options within the Exercise Period is prevented by any law or regulation in force and the Option grantee is forbidden to exercise the Options under such law or regulation, then in such an event the Company shall not be liable to compensate the Option grantee in any manner.

The Board 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, the Company shall not be liable to compensate the Option grantee in any manner.

Notwithstanding anything else contained in this Scheme, if the Option grantee does not exercise his vested Options within the time specified, the Options shall stand lapsed.

12. Exercise Price:



The Exercise Price, which may be linked with the intrinsic value of the company, for an Option issued under the Plan shall be calculated by an independent valuer at the time of grant of Options or at any other specified date as per the discretion of the Committee.

The Committee has a power to provide suitable discount or charge premium on such price as arrived above.

After the successful listing, the Exercise Price of the share will be the Market Price of the Shares one day before the date of Grant of Options, with suitable discount, if any provided on that price, as deemed fit by the committee

However, in any case the Exercise price shall not go below the par value of Equity Share of the Company which is Rs. 1/- per share.

The Committee has the power to re-price the Options which are not exercised, whether or not they have been vested, if the stock options are rendered unattractive due to fall in the value of the Shares of the Company. However, in any case, the Exercise Price shall not go below the par value of Share i.e. Rs.1.

The aggregate Exercise Price payable at the time of Exercise shall be paid by a cheque or demand draft drawn in the name of the Company i.e. Rategain Travel Technologies Limited.

The payment of applicable taxes, if any, in respect of exercise of the Options shall be made by the Option grantee to the Company as per the article 20. The Company shall have the right to recover tax from the Option grantee, by deducting the respective amount of tax from Option grantee's salary.

13. Allotment of shares

The Company shall allot the shares to the grantees upon valid exercise of options within 60 days of accepting the exercise application form. Upon allotment the Company shall intimate the same to the Grantee within 5 days of allotment.

The shares so allotted shall rank pari-passu with the existing equity shares of the Company including dividend if so declared.

14. Lock in Requirements and Exit Opportunity to Employees:

The Shares allotted to the employees pursuant to exercise of an Option will not be subject to any lock-in period. The Committee may, at its discretion alter or change or vary or impose



the lock-in-period conditions for an employee, for reasons to be recorded in writing, on case-to-case basis.

15. Cessation of Employment

The cessation of employment due to retirement or superannuation shall not be covered by this sub-regulation, and such options, SAR or any other benefit granted to an employee would 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.

15.1 In the event of Resignation

- a) All Unvested Options, on the date of exit, shall expire and stand terminated with effect from that date unless otherwise determined by the Board whose decision will be final and binding.
- b) All Vested Options as on that date shall be exercisable within Thirty days from the date of acceptance of his/her resignation or such period as may be decided by the compensation committee on case to case basis . The vested options not so exercised shall lapse irrevocably and the rights thereunder shall be extinguished.

15.2 In the event of cessation of employment due to Death

All Options granted to him as on date of death would vest in his legal heirs / nominee on that day. The Options would be exercisable by the legal heirs / nominee in the immediate next exercise event. All the unexercised Options shall lapse irrevocably and the rights there under shall be extinguished.

All other terms and conditions of the Scheme shall apply to such Options. Provided that, in order to exercise the options of the deceased Employee, his legal heirs / nominee have to submit following documents to the Company.

A. In case nominee is not appointed

- Copy of the Succession Certificate/Probate of Will/Letter of administration.
- No objection certificate from the other legal heirs.
- Photo copy of the death certificate duly attested by the proper authority (English translated version if in the vernacular language)



- Specimen signature of the person(s) in whose name Shares are to be transmitted (duly attested by the bank)
- Copy of PAN card of the applicant (self-attested).
- Copy of address proof (self-attested)

B. In case nominee is appointed

- Photo copy of the death certificate duly attested by the proper authority (English translated version if in the vernacular language)
- Specimen signature of the person(s) in whose name Shares are to be transmitted (duly attested by the bank)
- Copy of PAN card of the applicant (self-attested).
- Copy of address proof (self-attested)

15.3 In the event of Permanent Disability of an Employee

All Options granted to him as on date of Permanent Disability would vest in him on that day. The Options would be exercisable in the immediate next exercise event, failing which all the unexercised Options shall lapse irrevocably and the rights there under shall be extinguished.

15.4 In the event of separation from employment due to Retirement/Superannuation

- a) All Vested Options as on that date shall be exercisable within Thirty days from the date of his/her retirement/superannuation or such period as may be decided by the compensation committee on case to case basis . The vested options not so exercised shall lapse irrevocably and the rights thereunder shall be extinguished.
- b) All Unvested Options will get lapsed.

15.5 In the event of Termination of the Employment

If an employee is terminated due to misconduct, all options granted whether vested or not shall stand terminated with immediate effect unless otherwise determined by the Board, whose determination will be final and binding.

15.6 In the event that an employee who has been granted benefits under this Scheme is transferred or deputed to an associate company prior to vesting or



exercise, the vesting and exercise as per the terms of grant shall continue in case of such transferred or deputed employee even after the transfer or deputation.

15.7 In the event of an employee going on Long Leave, i.e. absence from the office for more than three months, the treatment of options granted to him/her, whether vested or not, shall be determined by the Board, whose decision shall be final & binding.

15.8 In the event where arises a Dispute between Employee and the Company, exercise will be put on hold till the date of settlement.

16. Terms and Conditions of Shares:

Nothing herein is intended to or shall give the Grantee, any right to status of any kind as a shareholder of the Company in respect of any share covered by the grant unless the Grantee exercises the options and becomes the registered shareholder of the Company.

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

17. Notices and correspondence:

Any notice required to be given by an employee to the Company or the Board or any correspondence to be made between an employee and the Company or the Board may be given or made to the Company/ Board at the corporate office or registered office of the Company or at the place as may be notified by the Company/ Board in writing or at the specific designated email id of the Company.

Any notice, required to be given by the Company or the Board to an Employee or any correspondence to be made between the Company or the Board and an employee shall be given or made by the Company or the Board on behalf of the Company at the address provided by the employee while accepting the option granted to him or at the official email Id of the employee.

18. Nomination of Beneficiary:

Each employee under the Scheme may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit under the Scheme is to be delivered in case of his or her death before he receives all of such benefit.



Each such nomination shall revoke all prior nominations by the same Employee, shall be in a form prescribed by the Company and will be effective only when filed by the Employee in writing with the Company during the Employee's lifetime.

19. Corporate Action:

Except as hereinafter provided, any grant made shall be subject to adjustment, by the Board, at its discretion, as to the number and price of Options or Shares, as the case may be, in the event of 'Corporate Action' as defined herein.

If there is a 'Corporate Action' of the Company before the Options granted under this Scheme are exercised, the Employee shall be entitled on Exercise of the Options, to such number of Resultant Shares to which he would have been entitled as if all the then outstanding Options exercised by him, had been exercised before such 'Change in the Capital Structure' had taken place and the rights under the Options shall stand correspondingly adjusted.

In the event of a Bonus Issue, sub-division or consolidation of capital, the Board, subject to the provisions of applicable laws to the Stock options, shall make fair and reasonable adjustments under the Scheme, as it deems fit, with respect to the number of options, exercise price, distribution of sums and make any other necessary amendments to the Scheme for this purpose. The vesting period and life of the options shall be left unaltered as far as possible.

In the event of severance of employment of a Grantee, as a part of arrangement, amalgamation, merger or demerger, the options granted and not exercised before such arrangement, amalgamation, merger or demerger, the treatment of options in such case shall be specified in such scheme of arrangement, amalgamation, merger or demerger provided that such treatment shall not be prejudicial to the interest of the employee.

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.

In the event of a reverse merger, the treatment of vested as well as unvested options will be decided by the Board, whose decision shall be final and binding.

In the event of demerger of the Company, the respective Boards of the Resulting & the De-merged Company will take the decision regarding the time period for the exercise of the vested options and the treatment of unvested options.

20. Recovery of applicable taxes:



- a. All Options granted/ shares allotted under the Scheme shall be subject to all applicable taxes, if any, and the Company may recover such taxes accordingly from the Employee.
- b. An employee beneficiary shall pay all tax and discharge all other liabilities to which he may become subject to as are result of his participation in this Scheme or exercise of options.
- c. An employee beneficiary shall pay all tax and discharge all other liabilities at the time of exercise of options or as per the discretion of Nomination and Remuneration Committee to be decided on case to case basis.

21. Taxability on the Employee:

The exercisable options are subject to the applicable provisions of the Income tax Act, 1961.

There would be a double point of Taxation on the Employee

- **Point 1:-** At the time of exercise of the Options the difference between the market price of the shares as on date of exercise of the Options and the Exercise Price will be added as a perquisite under salary in the month of exercise. The employee will be liable to pay the taxes at the individual slab rate in which he falls.

Eg: Exercise Price= Rs. 25 per option / Market Price of share on exercise = Rs. 100 per shares / Perquisite = Rs.100 – Rs.25 = Rs.75/- per share

Suppose employee falls in 30% slab, his perquisite tax will be Rs.23/-

The payment of perquisite tax, in respect of exercise of the Options shall be made by the employee to the Company or the Company shall have the right to recover tax from the employee.

- **Point 2:-** At the time of sale of the shares of the company by the employee.

Eg: If the employee sell the shares after holding them for 12 months, then LTCG (Long Term Capital Gain) will be levied in case the total LTCG is greater than Rs. One lakh and if shares are sold within 12 months of holding then STCG (Short Term Capital Gain) will be levied.

22. Disclosure and Accounting Policies:



The Company shall follow the IND AS 102 on 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, in compliance with relevant provisions of SEBI SBEB Regulations.

23. Surrender of Options:

Any employee to whom the options are granted under this Scheme, may at any time, surrender his options to the management. In such case the company would not be liable to pay any compensation to the employee on account of his surrender of options. The options so surrendered by the employee will be added back to the pool of ungranted options and pursuant to this the employee shall cease to have all rights and obligations over such options.

24. Purchase of Options

The Board may, at any time, as deemed fit, purchase the rights of the vested and unexercised options from the Employee, on the basis of the valuation by an Independent Valuer at that time. The determination of the value by the Board in this regard will be final & binding. The Options so purchased back from the employee(s) will be added back to the pool of ungranted options & pursuant to this the employee shall cease to have all rights & obligations over such options.

25. Arbitration:

In the event of a dispute arising out of or in relation to the provisions of this Scheme (including a dispute relating to the construction or performance thereof), the relevant parties shall attempt in the first instance to resolve such dispute through an amicable settlement. The attempt to bring about an amicable settlement shall be considered to have failed as soon as one of the parties hereto, after reasonable attempts, which attempt shall continue for not more than 30 days, gives 10 days' notice thereof to the other party in writing.

In case of such failure, either party may refer the dispute to a single arbitrator to be appointed by Managing Director or CEO of the Company. The arbitration proceedings shall be held in Delhi, India under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof. The arbitrator shall give a reasoned award in writing. The arbitrator shall also decide on the costs of the arbitration proceedings. The parties shall submit to the arbitrator's award and the award shall be enforceable in competent court of law at New Delhi, India.

26. Governing Law:



This Scheme and all related documents thereunder shall be governed by and construed in accordance with the Applicable laws of India.

The employee agrees and acknowledges that the Employee has received and read a copy of the Scheme. The Options are subject to the Scheme. Any term of the Scheme that is contrary to the requirement of the Companies Act, 2013 or any other Applicable Law or other Indian Regulations shall not apply to the extent it is contrary.

The Court at Delhi shall have exclusive jurisdiction on any matter arising out of this Scheme.

27. Regulatory Approvals:

The implementation of the Scheme, the Granting of any Option under the Scheme and the issuance of any Shares under this Scheme shall be subject to the procurement by the Company and the Employee/ Beneficiary of all approvals and permits, if any, required by any regulatory authorities having jurisdiction over the Scheme. The Employee/ Beneficiary under this Scheme will, if requested by the Board/ Company, provide such assurances and representations to the Company or the Board, as the Board may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

28. Modification of Scheme:

28.1 Subject to the approval of shareholders, the Board may, at any time:

- Revoke, add to, alter, amend or vary all or any of the terms and conditions of the Scheme or all or any of the rights and obligations of the employee;
- Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the specific Employee/Beneficiary or class or category of employees. Each of such sets of special terms and conditions shall be restricted in its application to those specific employee/beneficiary or class or category of such employees.

28.2 The company may by special resolution of its shareholders vary the terms of the schemes offered pursuant to an earlier resolution of the general body but not yet exercised by the employees, if such variation is not prejudicial to the interests of the employees

28.3 Any amendment, variation or modification under the Scheme shall not be prejudicial to the interest of the employees of the Company.



29. Term of the Scheme:

- 29.1 Except as provided elsewhere specifically, the Scheme shall continue in effect unless terminated by the Board or the Board or until all options available to be granted under the Scheme are fully exercised.
- 29.2 Any such termination of the Scheme shall not affect Options already granted and such Options shall remain in full force and effect as if the Scheme had not been terminated unless mutually agreed otherwise between the Employee/ Beneficiary and the Board/the Company.

30. Forbidden to Exercise by any Law:

If the Exercise of Options within the Exercise Period is prevented by any law or regulation in force and the employee is forbidden to exercise the Options under such law or regulation, then in such an event the Company shall not be liable to compensate the employee in any manner.

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

31. Confidentiality:

Notwithstanding anything contained in this Scheme, the employee shall not divulge the details of the Scheme and/or his holdings to any person except with the prior written permission of the Board unless so required to do under the Applicable laws or any statutes or regulations applicable to such Employee.

32. Listing

The Shares arising pursuant to the RateGain ESOP Scheme 2018 shall be listed immediately upon Exercise in any recognized stock exchange where the securities of the Company are listed subject to compliance with applicable law. Further, the shares arising after the IPO, out of options granted under the RateGain ESOP Scheme 2018 framed prior to the IPO shall be listed immediately upon exercise in all the recognized stock exchanges where such equity shares are listed subject to compliance with the ICDR Regulations and SEBI Guidelines.

In terms of Clause 12(1) of the SEBI Guidelines, Prior to grant any further options under the RateGain ESOP Scheme 2018, the plan shall be ratified by the shareholders by Special Resolution in general meeting of the Company subsequent to the Listing of its equity shares



pursuant to the IPO. Further, No changes shall be made in the terms of options issued under the RateGain ESOP Scheme 2018 whether by repricing, changes in vesting period or maturity or otherwise, (Other than any adjustment for any corporate action made in accordance with the SEBI Guidelines), unless prior approval of the shareholders by a special resolution in general meeting have been taken for such change

33. Insider Trading

The Employee Shall Ensure that there is no violation of:

‘ Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, (b) Company’s Insider Trading Code or (c) other applicable restrictions for prevention of fraudulent and /or unfair trade practices relating to the securities market or the recognized Stock Exchange on which the shares of Company are Listed.- Other Applicable restriction for prevention of Fraudulent and/or unfair trade practices relating to securities market.

The Employee Shall Keep the Company, the Board and the Nomination and Remuneration Committee, fully indemnified in respect of any liability arising for the Violation of the Above Provisions.

34. 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 auditors of the Company that the ESOP 2018 has been implemented in accordance with the SEBI SBEB Regulations and in accordance with the resolution of the Company in the general meeting

