



**KFIN EMPLOYEE STOCK OPTION PLAN 2024 –
SCHEME B**

KFin Technologies Limited

VERSION CONTROL

Version	Effective Date	Date of Board's Approval	Date of Shareholders' Approval	Description of Changes
1.0	November 07, 2024	September 05, 2024	November 07, 2024	New Scheme

TABLE OF CONTENTS

1.	Name and Effective Date of the Scheme	4
2.	Interpretation.....	4
3.	Eligibility	5
4.	Grant of Units	5
5.	Grant Price	5
6.	Method of Acceptance	5
7.	Vesting of Units	5
8.	Exercise Price	7
9.	Exercise of Units.....	7
10.	Lock-in.....	7
11.	Tenure of the Scheme.....	7
12.	Conflict	7

1. Name and Effective Date of the Scheme

- 1.1. This Scheme shall be termed as the **KFin Employee Stock Option Plan 2024 – Scheme B** (“**Scheme B**”), and has been notified under Clause 4 of the KFin Employee Stock Option Plan 2024 (“**Plan**”).
- 1.2. This Scheme has been approved by the Nomination and Remuneration Committee (“**Committee**”) on August 30, 2024, by the Board of Directors on September 05, 2024, and by shareholders of the Company by a special resolution passed through postal ballot on November 07, 2024.
- 1.3. This Scheme shall be effective from November 07, 2024, hereinafter referred to as the “**Effective Date**”.

2. Interpretation

Unless the context otherwise requires, terms used in this Scheme shall have the same meaning as is defined for such terms under the Plan. Similarly, the construction and interpretation principles contained in the Plan shall also apply to this Scheme.

- 2.1. “**EBITDA**” shall mean the consolidated operating income of the Group, before interest (whether income or expense), non-operating income (*e.g.* dividends or gains from sale of investments whether in mutual funds or otherwise, sale of assets & scrap and other miscellaneous income not related to the operations of the group), tax, depreciation and amortization of the Group including such earnings accrued on mergers and acquisitions but excluding exceptional items and related gains or losses.

For this purpose, the EBITDA for the financial year will be certified by the Statutory Auditors of the Company based on the audited consolidated financial statements of the respective financial year, which shall be final, conclusive, and binding on all parties concerned (including but not limited to Employees, Grantees, and Participants).

- 2.2. “**Exercise Price**” shall mean the purchase price of each Share payable by the Participant for exercising the Vested Units granted to the Participant in pursuance of the Scheme, as per Clause 7 below and shall be communicated in the Grant Letter.
- 2.3. “**Exercise Period**” shall mean, a period of 07 (seven) years from the date of vesting of the relevant Unit for Continuing Employee or deceased Employee, and a period of 03 (three) years from the date of separation for Ex-Employees, unless the Board / Committee decides otherwise.
- 2.4. “**Market Price**” shall mean the latest available closing price on a recognized stock exchange on which the shares of the Company are listed, on the date immediately prior to the relevant date.

For the purpose of this clause, if such shares are listed on more than one recognized stock exchange, then the closing price on the recognized stock exchange having higher trading volume shall be considered as the market price.

- 2.5. “**Relevant Date**” shall mean, in the case of grant, the date on which the grant is made.

3. Eligibility

- 3.1. This Scheme shall cover the employees of the Group, and any successor Company thereof to the extent any Units have been granted to the employees of such Companies, to the extent required under the Applicable Laws (“**Eligible Employees**”).

4. Grant of Units

- 4.1. The Committee / Board may at its discretion grant the Units to the identified Eligible Employees in accordance with the terms and conditions of this Scheme notified under the Plan for the time being in force.
- 4.2. Further, the Committee at its own discretion may grant Units to any new Employee at the time of joining the Company.
- 4.3. The maximum number of Units that may be granted under this Scheme shall not exceed 12,50,000 (Twelve Lakh Fifty Thousand) Units.

Notwithstanding the provisions of Clause 4.3 above, the Committee / Board may at its discretion grant Units that have lapsed (including those having lapsed by way of forfeiture / revocation) and added back to the number of Units that are pending to be granted.

5. Grant Price

- 5.1. The Committee / Board shall have the power to determine the Grant Price and in doing so the Committee / Board may make reference to the Independent Valuer or adopt any other generally acceptable methods of valuation.
- 5.2. Notwithstanding the above, the Committee / Board may grant units at a price which shall not be less than the market price.

6. Method of Acceptance

- 6.1. Any Grantee who wishes to accept the Grant made pursuant to Clause 4 above, must deliver an Acceptance Form, prescribed by the Company / Committee from time to time, duly completed as required therein to the Company / Committee on or before the Closing Date stated in the Grant Letter.
- 6.2. Any Grantee who fails to return the Acceptance Form on or before the Closing Date shall, unless the Committee / the Board / the Company determines otherwise, be deemed to have rejected the Grant. Any Acceptance Form received after the Closing Date shall not be valid.

7. Vesting of Units

- 7.1. Units granted under the Scheme shall vest not earlier than minimum Vesting Period of 1 (one) year.

Provided that in case where Units are granted by the Company under the Scheme in lieu of Units held by a person under an Employee Stock Option Plan / Scheme of that other Company (“**Transferor Company**”) which has merged, demerged, arranged or amalgamated with the Company, the period during which the Units granted by the Transferor Company were held by him shall be adjusted against the minimum Vesting Period as per the Scheme.

- 7.2. Subject to the continued employment of the Participant and Clause 14 of the Plan, the Unvested Units shall vest with the Participant as per vesting schedule below:

Performance Linked Equity Shares

Sr. No.	Vesting Criteria	Units / Additional Units to be Vested
A	<i>For grantees who have joined the Company / Group on or before March 31, 2025</i>	
01	If EBITDA crosses INR ██████ in any financial year between 2024-25 to 2025-26 based on the audited consolidated financial statements of the Group subject to elapse of a minimum of 12 (twelve) months from the date of Grant.	50% (fifty percent) of the total number of Units granted under this Scheme.
02	If EBITDA crosses INR ██████ in any financial year between 2025-26 to 2029-30 based on the audited consolidated financial statements of the Group subject to elapse of a minimum of 12 (twelve) months from the date of Grant.	100% (one hundred percent) of the total number of Units granted under this Scheme as reduced by the Units vested, if any, under conditions stipulated in (A-01) above in this table.
B	<i>For grantees who have joined the Company / Group on or after April 01, 2025</i>	
01	If EBITDA crosses INR ██████ in any financial year between 2026-27 to 2027-28 based on the audited consolidated financial statements of the Group subject to elapse of a minimum of 12 (twelve) months from the date of Grant.	50% (fifty percent) of the total number of Units granted under this Scheme.
02	If EBITDA crosses INR ██████ in any financial year between 2026-27 to 2029-30 based on the audited consolidated financial statements of the Group subject to elapse of a minimum of 12 (twelve) months from the date of Grant.	100% (one hundred percent) of the total number of Units granted under this Scheme as reduced by the Units vested, if any, under conditions stipulated in (B-01) above in this table.

Upon Vesting, the Vested Units shall be exercisable in accordance with the Clause 12 of the Plan.

8. Exercise Price

- 8.1. The Exercise Price shall mean the Grant Price.
- 8.2. The Aggregate Exercise Price shall be paid in full upon the exercise of the Vested Units. The payment shall be made by one of the methods specified in Clause 12.7 of the Plan.

9. Exercise of Units

- 9.1. The Participant can exercise the Vested Units within the Exercise Period as defined under the Clause 2.2 above.
- 9.2. Any Vested Units not exercised within the Exercise Period shall automatically lapse at the end of the Exercise period and the contract referred to in Clause 9.3 of the Plan shall stand automatically terminated without any surviving right / liability for any party.

10. Lock-in

- 10.1. The Shares allotted pursuant to Exercise of Vested Units under this Scheme, shall not be subject to any lock-in.

11. Tenure of the Scheme

- 11.1. This Scheme shall continue in effect unless terminated by the Board / the Company / the Committee.

12. Conflict

- 12.1. In case there is a conflict between the terms of this Scheme and the terms of the Plan, then for the purposes of this Scheme, the terms of this Scheme shall prevail, unless specifically provided otherwise in the Plan.
