

Date: 7th November, 2022

To, Corporate Relationship Department BSE Limited P, J. Tower, Dalal Street Mumbai – 400001 Script Code: 543591	To, National Stock Exchange of India Limited Exchange plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai- 400051 Script Symbol: DREAMFOLKS
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Subject: Postal Ballot Notice - Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In continuation to our earlier communication(s) and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the ongoing Postal Ballot Notice, seeking approval of the members of the Company, by way of remote e-voting process for ratification of Dreamfolks Employee Stock Option Plan, 2021.

The remote e-voting period commenced from 9.00 a.m. (IST) on Saturday, 22nd October, 2022 and will end at 5.00 p.m. (IST) on Sunday, 20th November, 2022.

The Postal Ballot Notice is also available on the website of the Company.

Kindly take the above intimation on your records again.

Thanking you.

Yours faithfully,
For **Dreamfolks Services Limited**

Rangoli Aggarwal
Company Secretary and Compliance Officer

Encl: A/a

Dreamfolks Services Limited**Corporate Identity No. (CIN): U51909DL2008PLC177181****Regd. Office: 22, DDA Flats Panchsheel Park, Shivalik Road, New Delhi - 1100017****Tel: 0124-4037306****Email: investor.support@dreamfolks.in; Website: www.dreamfolks.in****NOTICE OF POSTAL BALLOT****[Pursuant to Section 108 and Section 110 of the Companies Act, 2013, read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014]**

To,

The Members of **Dreamfolks Services Limited**,

Notice is hereby given to the Members of Dreamfolks Services Limited (“**the Company**”), pursuant to Section 108 and 110 of the Companies Act, 2013 (“**the Act**”) read with Rule 20 and Rule 22 of Companies (Management & Administration) Rules, 2014 (“**the Rules**”) and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs, inter-alia, for conducting Postal Ballot through e-voting vide General Circulars Nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020 10/2021, 20/2021 and 3/2022 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021, December 08, 2021 and dated May 05, 2022 respectively (“**MCA Circulars**”) read with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“**Listing Regulations**”) and other applicable provisions of the Act, Rules, Circulars and Notifications issued thereunder (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time), that the Special Business as set out in this Notice is proposed for consideration by the Members of the Company for passing by means of remote e-voting.

SPECIAL BUSINESS:**1) RATIFICATION OF DREAMFOLKS EMPLOYEE STOCK OPTION PLAN, 2021**To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 and applicable rules made there under (including any amendment(s), statutory modification(s) or re-enactment thereof) (“**the Act**”), in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company, applicable provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SEBI (SBEB & SE) Regulations**”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), from time to time and such other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued/ to be issued thereon by the Government of India, Ministry of Finance (Department of Economic Affairs), Department for Promotion of Industry and Internal Trade, Ministry of Corporate Affairs), the Securities and Exchange Board of India, the BSE Limited and National Stock Exchange of India Limited (“**Stock Exchanges**”) where the equity shares of the Company are listed and/or any other regulatory/ statutory authorities under any other applicable law, from time to time (hereinafter severally or collectively referred to as the “**Appropriate Authorities**”) to the extent applicable and subject to the term(s), condition(s), modification(s), consent(s), sanction(s) and approval(s) of any of the Appropriate Authorities and guidelines and clarifications issued thereon from time to time and subject to such conditions and modifications as may be prescribed by any of them while granting such terms, conditions, modifications, approvals, consents and sanctions, the Dreamfolks Employee Stock Option Plan, 2021 (“**ESOP 2021**”) as formulated and approved by the members of the Company on September 29, 2021 prior to the Initial Public Offer (“**IPO**”) of the Company, as detailed in explanatory statement, be and is hereby ratified and the consent of the members of the Company be and is hereby

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Email: investor.support@dreamfolks.in; Website: www.dreamfolks.in

accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include the Nomination & Remuneration Committee of the Company (“**NRC**”) which also acts as the Compensation Committee, constituted by the Board to exercise its powers, including the powers, conferred by this resolution and/or such other persons as may be authorized in this regard by the Board and/or NRC), to create, offer, issue, reissue, grant, transfer and allot options, at any time, to or for the benefit of the employee(s) /directors of the Company (as may be permitted under applicable laws) and to issue fresh options, re-issue options that may have lapsed / cancelled / surrendered, already granted under the ESOP 2021.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot equity shares upon exercise of options, from time to time, in accordance with the ESOP 2021.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the equity shares to be allotted under the ESOP 2021 on the Stock Exchanges as per the provisions of the SEBI Listing Regulations, SEBI (SBEB & SE) Regulations and other applicable laws and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized without prejudice to the generality of the above, but subject to the terms, as approved by the members, to implement, formulate, evolve, decide upon and bring into effect the ESOP 2021 on such terms and conditions as broadly contained in the explanatory statement and to make any further modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of the ESOP 2021, from time to time, including but not limited to, amendment(s) with respect to vesting conditions, period and schedule, exercise price, exercise period, performance/ eligibility criteria for grant/ vesting or to suspend, withdraw, terminate or revise the ESOP 2021 in such a manner as the Board or any other person authorized by the Board may determine.

RESOLVED FURTHER THAT Liberatha Peter Kallat, Managing Director and Giya Diwaan, Chief Financial Officer be and are hereby severally authorised to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the ESOP 2021 and to make applications to the appropriate Authorities, for their requisite approvals and to take all necessary actions and with power on behalf of the Company to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution without requiring the Board to secure any further consent or approval of the members of the Company.”

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Place: New Delhi

Date: 19.10.2022

By order of the Board of Directors

For Dreamfolks Services Limited

Sd/-

Company Secretary & Compliance Officer

Rangoli Aggarwal

M.No. A44096

Registered Office:

22, DDA Flats Panchsheel Park, Shivalik

Road, New Delhi - 110017

CIN: U51909DL2008PLC177181

Phone: 0124-4037306

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1. The relevant explanatory statement pursuant to the provisions of Section 102 of the Act setting out the material facts and reasons is annexed herewith.
2. As per Section 108, 110 and other applicable provisions of the Act read with Rule 20 & 22 of the Rules, cut-off date for the purpose of reckoning the voting rights and sending the Notice is 14th October 2022 (“**Cut-off date**”). A person who is not a member as on the Cut-off date should treat the Notice for information purpose only. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date shall follow the same procedure for e-Voting as provided for below.
3. Due to the outbreak of COVID-19 Pandemic, the MCA vide its Relevant Circulars, has permitted companies to conduct the Postal Ballot by sending the Notice in electronic form only. Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members for this Postal Ballot. The communication of the assent or dissent of the Members would take place through the process of remote e-voting only.
4. Postal Ballot Notice is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participant (DP)/Company’s Registrar and Transfer Agent (RTA) as on Cut-off Date. Members may note that the Postal Ballot Notice will also be available on the Company’s website at www.dreamfolks.in , websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of National Securities Depository Limited (“NSDL”) at <https://www.evoting.nsdl.com>.
5. Pursuant to Section 108 of the Act read with Rule 20 of the Rules and Regulation 44 of the Listing Regulations, the Company has engaged NSDL to provide e-voting facility for its Members. The procedure for e-voting is given below. The E-Voting facility is available at the link at www.evoting.nsdl.com from 9:00 a.m. on Saturday, October 22, 2022 up to 5.00 p.m. on Sunday November 20, 2022. The e-voting module will be blocked by NSDL thereafter and voting shall not be allowed beyond the said date and time.

Once the vote on the resolution is cast by the member, the member shall not be allowed to change it subsequently or cast the vote again.
6. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date.
7. The Board has, pursuant to Rule 22(5) of the Rules, appointed Mr. Nitesh Latwal (CP No. 16276) failing him Mr. Ankit Singhi (C.P 16274) Practicing Company Secretaries and Partners of M/s PI & Associates, New Delhi as the Scrutinizer for conducting the voting process through Postal Ballot E-Voting in accordance with the law and in a fair and transparent manner.
8. Upon completion of scrutiny of the e-voting, the Scrutinizer shall submit his report within two working days from the end of the remote e-voting period to the Chairman or any other person authorised by him. Upon receipt of scrutinizer’s report, the results of the Postal Ballot will be announced by the Chairman or the authorised person immediately.

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9. The results along with Scrutinizer's Report, shall be displayed at the Registered Office and Corporate office of the Company and placed on the Company's website at www.dreamfolks.in and the website of NSDL immediately after the result is declared. The results shall be simultaneously communicated to the Stock Exchanges where the securities of the Company are listed i.e. BSE Limited and the National Stock Exchange of India Limited.
10. The resolution, if passed by the requisite votes, shall be deemed to have been passed as if the same has been passed at a general meeting of the members convened in that behalf. The resolution, if approved by the requisite votes of members by means of Postal Ballot (i.e., remote e-voting), shall be deemed to have been passed on the last date specified by the Company for e-voting, i.e., Sunday, November 20, 2022.
11. All documents referred to in the Notice and Explanatory Statement including disclosure of directors of updated Memorandum of Association of the Company are available for inspection by the members at the Registered Office of the Company on all working days except Saturdays, Sundays and National Holidays between 11:00 A.M. (IST) and 1:00 P.M. (IST) from the date of dispatch of the Notice up to the last date of e-voting i.e. Sunday, November 20, 2022.

INSTRUCTIONS FOR REMOTE E-VOTING

The manner and process of remote e-Voting is as under:

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

Step 2: Cast your vote electronically on NSDL e-Voting system.

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NS' DL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ Access ”





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	<p>to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <ol style="list-style-type: none"> If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digitdemat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will

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	<p>have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43</p>

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

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1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

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6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who

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are authorized to vote, to the Scrutinizer by e-mail to ankit@indiacp.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.support@dreamfolks.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.support@dreamfolks.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or contact Ms. Pallavi Mhatre, Manager, National Securities Depository Ltd., Trade World, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, at the designated email address: pallavid@nsdl.co.in/evoting@nsdl.co.in or at telephone no. +91 22 2499 4545.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT SETTING OUT ALL THE MATERIAL FACTS RELATING TO THE SPECIAL BUSINESS IN THE NOTICE

ITEM 1:

Dreamfolks Services Limited

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Equity based remuneration includes alignment of personal goals of the employees with organisational objectives by participating in the ownership of the Company. The Board of Directors of your Company understands the need to enhance the employee engagement, to reward the employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company.

In order to reward and retain the key employees and to create a sense of ownership and participation amongst them, the members of the Company has in their meeting held on September 29, 2021 approved the Dreamfolks Employees Stock Option Plan 2021 (“**ESOP 2021 Plan**”).

In terms of Regulation 12(1) of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, (“**SEBI (SBEB & SE) Regulations**”), no company shall make any fresh grant which involves allotment or transfer of shares to its employees under any schemes/ Plans formulated prior to its Initial Public Offering (“**IPO**”) and prior to the listing of its equity shares (“**Pre-IPO Scheme/ Plan**”) unless: (i) such Pre-IPO Scheme/ Plan is in conformity with the SEBI (SBEB & SE) Regulations; and (ii) Such Pre-IPO Scheme/ Plan is ratified by its members subsequent to the IPO.

The Company after successfully completing its IPO on 6th September 2022, aims to ratify the ESOP 2021 Plan and accordingly in terms of the SEBI (SBEB & SE) Regulations aims to seek approval from its members for ratification of the ESOP 2021 Plan.

Particulars as required under Regulation 6(2) of the SEBI (SBEB & SE) Regulations (as amended from time to time) are given below:

1. Brief Description of the ESOP 2021:

This Plan shall be called Dreamfolks Employee Stock Option Plan 2021.

The objectives of the ESOP 2021 are to create a variable pay structure for the employees, incentivize them in line with the Company’s performance, and to retain and motivate senior and critical human resources and to promote loyalty to the Company.

2. Total number of Options to be granted under the ESOP 2021:

The maximum number of options that may be granted under ESOP 2021 Plan shall not exceed 52,25,000 options, and correspondingly adjusted for any sub-division or consolidation of the Shares or any other corporate action, as may be required.

3. Identification of classes of employees entitled to participate and be beneficiaries in ESOP 2021:

1. An employee of the Company (as designated by the Company) exclusively working in India or outside India; or
2. A Director of the Company, whether whole-time or not, including a non-executive director but excluding promoter director or an independent director or a member of the promoter group; or
3. An employee, as defined in (1) or (2) above of a group company including subsidiary or its associate company in India or outside India, or of a holding company in India or outside India of the Company but excludes:

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Email: investor.support@dreamfolks.in; **Website:** www.dreamfolks.in

- a) an employee who is a Promoter or belongs to the Promoter Group;
- b) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the issued and subscribed Equity Shares of the Company.

4. Requirement of Vesting and period of Vesting:

Options granted under ESOP 2021 shall Vest subject to the minimum period of 1 (one) year from the date of Grant and may extend upto the maximum period of 5 (five) years from the date of Grant or as defined by the Committee in their respective Vesting Schedule.

Vesting of options would be subject to continued employment with the Company, Holding, and Subsidiary Company(ies). However, the NRC may also, if it feels necessary in any or in all cases at its discretion, specify certain performance parameters linked to loyalty, moral, work ethics or any other such parameters at corporate, individual or any combination subject to which the options would vest.

After vesting of the option, the grantee has a right (but not an obligation) to exercise the vested employee stock options within exercise period and obtain equity shares of the Company, subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

5. Exercise Price or Pricing Formula:

The exercise price shall not be less than INR 96.46 and shall not be more than the market price of an equity share of the Company prevailing on the grant date as determined by the NRC from time to time.

6. Exercise period and process of Exercise:

After vesting, the Options can be exercised either wholly or partly, within a maximum period of 5 (five) years from the date of respective vesting of Options.

The Options shall be deemed to have Exercised when an Employee makes an Exercise Application in writing to the Company or by any other means as decided by the Committee, for the issue of Equity Shares against the Options vested in him, subject to payment of Exercise Price and compliance of other requisite conditions of the Exercise.

7. Appraisal process for determining the eligibility of the Employees to ESOP 2021 Plan:

Appraisal process for determining the eligibility of the employees will be based on designation, period of service, loyalty, work ethics, moral, performance linked parameters such as work performance and such other criteria as may be determined by the NRC at its sole discretion, from time to time.

8. The Maximum number of Options to be granted per Employee and in aggregate:

The maximum number of options that may be granted per employee and in aggregate shall be decided by the NRC depending upon the designation and the appraisal/ assessment process. However, the grant of options to employees, shall not, at any time exceed the Total Option Pool Size approved by the members of the Company for ESOP 2021 Plan.

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If the number of Options that may be offered to identified Employees, during any one year, is equal to or more than 1% (one percent) of the issued share capital (excluding outstanding warrants & conversions) of the Company at the time of Grant of Options, then the Company shall take prior approval from members of the Company by way of a special resolution..

Note:

ESOP 2021 has a pool of maximum 52,25,000 options, out of which total 23,51,250 options were granted before listing of equity shares of the Company on the Stock Exchanges and remaining ungranted options are 28,73,750.

9. The Maximum quantum of benefits to be provided per Employee under the ESOP 2021:

The maximum quantum of benefits that will be provided to any employee under ESOP 2021 Plan will be the difference between the market value of Company's equity shares on the Stock Exchanges as on the date of exercise of options and the exercise price paid by the employee.

10. Whether the ESOP 2021 is to be implemented and administered directly by the Company or through a Trust:

ESOP 2021 Plan shall be implemented through direct route for extending the benefits to the eligible employees by the way of fresh allotment and will follow cash mechanism or such other mechanism as decided by NRC.

ESOP 2021 Plan shall be administered and administered by the NRC.

11. Whether the ESOP 2021 involves new issue of shares by the company or secondary acquisition by the Trust or both:

ESOP 2021 Plan involves fresh issue of equity shares by the Company.

12. The amount of loan to be provided for implementation of the ESOP 2021 Plan by the Company to the Trust, its tenure, utilization, repayment terms, etc.:

Not applicable, as the ESOP 2021 Plan is being implemented through Direct Route.

13. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the ESOP 2021 Plan:

Not applicable, as the ESOP 2021 Plan is being implemented through Direct Route.

14. Statement to the effect that the company shall conform to the accounting policies specified in regulation 15:

The Company shall comply with the applicable accounting policies as prescribed under Regulation 15 of SEBI (SBEB & SE) Regulations and other applicable laws.

15. The method which the Company shall use to value its Options:

Fair Value method or any other method as per applicable statutory provisions from time to time.

Dreamfolks Services Limited**Corporate Identity No. (CIN): U51909DL2008PLC177181****Regd. Office: 22, DDA Flats Panchsheel Park, Shivalik Road, New Delhi - 1100017****Tel: 0124-4037306****Email: investor.support@dreamfolks.in; Website: www.dreamfolks.in****16. Statement with regard to Disclosure in Director's Report:**

In case the Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earning per share ("EPS") of the company shall also be disclosed in the Directors' report.

17. Period of lock-in:

The shares arising out of exercise of vested options will not be subject to any lock - in period after such exercise.

18. Terms & conditions for buyback, if any, of specified securities:

The Committee shall define the procedure for buy-back of specified securities issued under SEBI (SBEB) Regulations, 2021 if to be undertaken at any time by the company, and the applicable terms and conditions, including:

- i. permissible sources of financing for buy-back;
- ii. any minimum financial thresholds to be maintained by the company as per its last financial statements; and
- iii. limits upon quantum of specified securities that the company may buy-back in a financial year.

The Board recommends the special resolutions as set out in the Item No. 3 of the accompanying Notice for approval of the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in these resolutions except to the extent of equity shares held by them in the Company or the options that may be granted under the said ESOP 2021.

Place: New Delhi**Date: October 19, 2022****By order of the Board of Directors
For Dreamfolks Services Limited****Sd/-****Company Secretary & Compliance Officer
Rangoli Aggarwal
M.No. A44096**

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