

CYIENT LIMITED
Associate Restricted Stock Units Scheme 2020

For Cyient Limited

Sudheendra Putty
Company Secretary

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Associate Restricted Stock Units Scheme 2020

INDEX

S. No.	Particulars	Page No.
1	NAME OF THE SCHEME	3
2	PURPOSE/BENEFITS OF THE SCHEME	3
3	DEFINITIONS	4
4	ADMINISTRATION OF THE SCHEME	11
5	ELIGIBILITY	14
6	SHARES POOL/NUMBER OF OPTIONS/NO. OF SHARES PER OPTION	14
7	MAXIMUM NUMBER OF OPTIONS TO BE ISSUED PER EMPLOYEE AND IN AGGREGATE	14
8	EXERCISE PRICE	14
9	GRANT OF OPTIONS	15
10	METHOD OF ACCEPTANCE	15
11	LOCK-IN PERIOD	16
12	VESTING OF OPTIONS	16
13	EXERCISE OF OPTIONS	17
14	TERMINATION OF EMPLOYMENT	18
15	CORPORATE ACTION	21
16	METHOD OF VALUATING THE OPTIONS	21
17	APPRAISAL PROCESS FOR DETERMINING THE ELIGIBILITY OF EMPLOYEES	21
18	POWER TO SURRENDER THE OPTIONS	22
19	LAPSED/SURRENDERED/CANCELLED/FOREFEITED OPTIONS	22
20	NOTICES AND CORRESPONDENCE	22
21	BENEFICIARY DESIGNATION	22
22	NON-TRANSFERABILITY OF OPTIONS	23
23	WITHHOLDING TAX	23
24	TERM OF ARSUS-2020	24
25	ARBITRATION	24
26	GOVERNING LAW	25
27	REGULATORY APPROVALS	25
28	MODIFICATION OF SCHEME	26
29	MISCELLANEOUS PROVISIONS	26
30	CONFIDENTIALITY	27
31	CERTIFICATE FROM THE AUDITOR	27




1. NAME OF THE SCHEME:

This Scheme shall be termed the Associate Restricted Stock Units Scheme 2020 (the "Plan/Scheme/ ARSUS-2020"). ARSUS-2020 of Cyient Limited (the "Company"). ARSUS-2020 will be effective from the date of implementation of the Scheme by the Leadership, Nomination and Remuneration Committee (hereinafter referred to as "the Committee").

2. PURPOSE/BENEFITS OF THE SCHEME

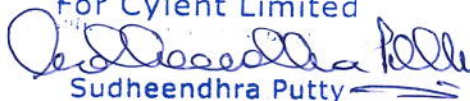
"The Company", being a company limited by shares, incorporated and registered under the Companies Act, 1956 and having its registered office at 4th Floor, A Wing, Plot No.11, Software Units Layout, Infocity, Madhapur, Hyderabad 500 081, Telangana, India, has structured ARSUS-2020 for granting stock options to employees under ARSUS-2020.

The Scheme shall be called as Cyient Limited - Associate Restricted Stock Units Scheme 2020 ('the Scheme/ ARSUS-2020').

Cyient Limited acknowledges that its growth maybe attributed to the direction and contributions of the senior leadership and would therefore like to provide them the option to participate and share in the wealth created similar to other stakeholders *i.e.* clients, investors, governments and society. As a gesture aligned to this objective, this Scheme shall be implemented in FY 2020 to issue Restricted Stock Units (RSUs) for eligible associates who opt for this scheme.

The Company wishes to implement this Scheme with following key objectives:

- i. To reward leaders associated with the company by providing an option for wealth creation
- ii. To create a sense of ownership and participation amongst leaders; and
- iii. To achieve sustained growth of the company and the creation of shareholder value by aligning the interests of identified associates with the long term interests of the company.

For Cyient Limited

Sudheendra Putty
Company Secretary

This document sets out the features of the Scheme, the benefits accruing to eligible associates under this Scheme, the duties and responsibilities of the beneficiaries along with the procedures to be followed. The document shall serve as a reference for the administration of the Scheme. This document should be carefully read and understood and the procedures prescribed diligently observed for availing the benefits under the Scheme.


This document sets out the features of the ARSUS-2020, the benefits accruing to the employees under this Scheme, the duties and responsibilities of the beneficiaries as also the procedures to be followed. The document shall serve as a reference for the administration of ARSUS-2020. This document should be carefully read and understood and the procedures prescribed shall be diligently observed for availing the benefits under ARSUS-2020.

3. DEFINITIONS

Except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against. Further, unless the context otherwise requires, words denoting the masculine gender shall include the feminine gender and words denoting the singular shall include the plural and vice versa. Words and expressions not defined shall have the meaning as per SEBI Regulations as amended, modified or re-enacted from time to time as applicable from time to time.

3.1. **"Applicable Laws"** shall mean laws of India to the extent applicable and as amended and modified from time to time. Accordingly, any actions taken hereunder shall be governed by, and construed in accordance with, the laws of India, without regard to the application of the conflicts of laws/provisions thereof.

3.2. **"Acceptance Form"** shall mean the form, which the Grantee has to submit indicating his acceptance of the offer made to him to participate in the ARSUS-2020.

- 3.3. "**Associate company**" shall have the same meaning as defined under section 2(6) of the Companies Act, 2013.
- 3.4. "**Beneficiary**" means the person, persons, trust or trusts designated/nominated by a Participant, or in the absence of any designation/nomination by the Participant, a person or persons who is/ are entitled by the will of the Participant to receive the benefits specified in the ARSUS-2020, the legal heirs of the Participant, if the Participant dies intestate and includes the Participant's executors or administrator, if no other beneficiary is designated and able to act under the circumstances and such other persons as may be added from time to time to the class of beneficiaries by notice in writing and by nomination form in the exercise of any powers conferred under the ARSUS-2020 or any other agreements forming part thereof.
- 3.5. "**Board**" means the Board of Directors of the Company.
- 3.6. "**Closing Date**" means the last date on which the offer of Options by the Company to a Participant can be accepted. In case the last date is a non -working day, then it shall be the next working day.
- 3.7. "**Committee**" means the Leadership, Nomination and Remuneration Committee that has been constituted by the Board for administration and superintendence of ARSUS-2020 pursuant to Clause 4.1 below, consisting of such members as may be required under applicable law(s) from time to time.
- 3.8. "**Company**" shall have the meaning ascribed to such term in Clause 1 hereinabove.
- 3.9. "**Corporate Action**" shall have the meaning ascribed to such term in Clause 4.2 (x) hereunder.



3.10. "**Employee/Associate**" means

- a. Permanent employee of the Company who has been working in India or outside India; or, as may be decided by the board / committee.
- b. Directors (including whole-time directors) of the company at any time, but excluding independent directors.
- c. An employee as defined in clauses (a) or (b) of a subsidiary, in India or outside India, or of a holding company of the company or of an associate company.
- d. Such other persons, as may from time to time, be allowed under prevailing laws and SEBI regulations and as may be approved by the board/committee for this purpose.

Above persons are referred herein collectively as the "Eligible Employees"

An employee who is a promoter or belongs to promoter group or a director who either by himself or through his relative or through any body corporate, directly or indirectly holds more than 10 percent of the outstanding equity shares of the company at the time of granting of option shall not be eligible to participate in ARSUS-2020. Independent Directors shall not be eligible to receive any stock options.

3.11. "**ASOP**" means a scheme under which a company grants employee stock option directly.

3.12. "**Exercise**" means making of an application by the Participant to the Company for issue of Shares against the Vested Options with the Participant in pursuance to ARSUS-2020 , on payment of the Exercise Price.

3.13. "**Exercise Period**" means a period within which the Participant exercises his right to apply for shares against vested options in pursuance of the ARSUS-2020.

The exercise period shall commence from the date of vesting and shall expire on completion of five years from the date of grant.

- 3.14. "**Exercise Price**" means the purchase price of each Share payable by the Participant for exercising the Option granted to him in pursuance of ARSUS-2020, in accordance with Clause 11 below and shall be communicated in the Grant Letter.
- 3.15. "**FEMA Regulation**" means Foreign Exchange Management (Transfer or issue of Securities by a person resident outside India) Regulations, 2000 issued by Reserve Bank of India vide notification no FEMA 20/ 2000- RB dated May 3, 2000 as may be applicable and amended from time to time.
- 3.16. "**General Meeting**" means a general meeting of the Shareholders of the Company held in accordance with the Articles of Association of the Company and other Applicable Laws.
- 3.17. "**Grant**" means the process by which the company issues options under ARSUS-2020.
- 3.18. "**Grant Date**" means the date on which the Committee approves the grant.
- 3.19. "**Grant Letter**" means the letter by which grant of an Option is communicated to the Grantee.
- 3.20. "**Grantee**" shall mean an Employee at the time of grant of the option, having a right and not an obligation to exercise an option and who in the opinion of the Committee is declared to be eligible to participate under the ARSUS-2020.
- 3.21. "**Holding Company (ies)**" means any holding company of the Company as defined in the Companies Act, 2013.



- 3.22. **"Independent Director"** shall have the same meaning assigned to it in section 149(6) of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 and as per the SEBI (LODR) Regulations.
- 3.23. **"Market Price"** means 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.
- Explanation: - If such shares are listed on more than one stock exchange, then the closing price on the stock exchange having higher trading volume shall be considered as the market price;
- 3.24. **"Option"** means the option given to an employee which gives a right, but not an obligation to purchase or subscribe at a future date, the shares offered by the company, at a pre-determined price.
- 3.25. **"Participant"** means a Grantee who accepts an offer from the Company to participate in ARSUS-2020 pursuant to Clause 8 below.
- 3.26. **"Permanent Employee"** means employees who are on the payroll of the Company/Subsidiary Company (ies)/Holding Company (ies)/Associate Company (ies).
- 3.27. **"Promoter"** means the persons as defined in regulation 2(1)(u) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as may be amended from time to time.
- 3.28. **"Promoter Group"** means the group as defined in regulation 2(1)(v) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as may be amended from time to time:
- 3.29. **"Relative"** shall have the same meaning as defined under section 2(77) of the Companies Act, 2013 read with rules made thereunder.



- 3.30. **"Relevant Date"** means the date of the meeting of the compensation committee on which the grant is made; or
- 3.31. **"Scheme/ ARSUS-2020 "** shall have the meaning ascribed to such term in Clause 1 hereinabove and shall include any alterations, amendments, additions, deletions, modifications or variations thereof from time to time in the interest of the employees.
- 3.32. **"SEBI Regulations"** means the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, issued by the Securities Exchange Board of India under the Securities Exchange Board of India Act, 1992 and shall include any amendments, additions, deletions, modifications or variations thereof from time to time.
- 3.33. **"Share"** means equity shares and securities convertible into equity shares and shall include American Depositary Receipts (ADRs), Global Depositary Receipts (GDRs) or other depository receipts representing underlying equity shares or securities convertible into equity shares.
- 3.34. **"Shareholder"** means the registered holder of any Share in the share capital of the Company.
- 3.35. **"Subsidiary Company / Subsidiary"** means any subsidiary company of the Company whether existing or as and when formed, as defined in the Companies Act, 2013.
- 3.36. **"Termination Date"** means the date of termination of employment of the Participant with the Company or Subsidiary Company (ies) or Holding Company (ies) or Associate Company(ies).
- 3.37. **"Total or Permanent Incapacity"** means any disability of whatsoever nature be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Committee based on a certificate of a medical expert identified by such Committee.



3.38. "**Unvested Option**" means an Option, which is not a Vested Option.

3.39. "**Vested Option**" means an Option which has vested with the Participant and has thereby become exercisable.

3.40. "**Vesting**" means the process by which the Participant becomes entitled to receive the benefit of a grant made to him under ARSUS-2020.

3.41. "**Vesting Period**" means the period during which the vesting of the Option granted to the Participant in pursuance of ARSUS-2020 takes place.

3.42. Construction

- a. The headings/ subheadings/ titles/ subtitles are only for the sake of convenience and shall not be interpreted to restrict or otherwise affect the meaning or import of the Clauses herein contained, which shall be interpreted solely in light of the contents thereof.
- b. Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- c. Any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in visible form.
- d. The term 'including' shall mean 'including without limitation', unless otherwise specified.
- e. Any reference to any law, regulations and statute shall be deemed to include any amendment, modification or re-enactment of such law, regulations and statute from time to time.




4. ADMINISTRATION OF ARSUS-2020

- 4.1. ARSUS-2020 shall be administered by the Committee. The Committee is subject to compliance with the SEBI Regulations, authorized to interpret ARSUS-2020, to establish, amend and rescind any rules and regulations relating to ARSUS-2020 and to make any other determinations that it deems necessary or desirable for the administration and implementation of ARSUS-2020. The Committee, in consultation with the Company, may rectify any defect, omission or reconcile any inconsistency in the Scheme in the manner and to the extent the Committee deems necessary or desirable. 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 parties concerned (including, but not limited to, Grantee and/or Participants and their beneficiaries or successors).
- 4.2. The Committee, inter alia, may do the following:
- a. Formulate detailed terms and conditions and procedures for grant or/and vesting under the ARSUS-2020, administer, supervise and implement or alter the same in accordance with applicable provisions in this behalf.
 - b. Meet as and when necessary to administer ARSUS-2020;
 - c. Authorize one or more of its members, being an independent director, to grant options under this ARSUS-2020 based on the parameters as prescribed by the Committee (Provided that such grants shall be ratified at the subsequent meeting of the Committee);
 - d. Adopt rules and regulations for implementing ARSUS-2020 from time to time, frame suitable procedures and prescribe forms and issue in relation to the ARSUS-2020 and may from time to time amend, recall or replace such rules, regulations, procedures and forms.
 - e. Identify the Employees entitled to participate under the ARSUS-2020.



- f. Grant Options to the identified Employees and determine the date of Grant.
- g. Determine the number of Options to be granted to each Grantee.
- h. Determine the number of Shares of the Company to be covered by each Option granted under the Scheme.
- i. Determine the method for exercising the Vested Options.
- j. Determine the Exercise Price of the Options granted.
- k. Determine the conditions under which options vested in employee may lapse or be forfeited.
- l. Grant an extension of time for exercise within the maximum exercise period, upon a specific request made by the employee concerned to this effect;
- m. To resolve any tax obligation arising in connection with the options or Shares issued pursuant to ARSUS-2020;
- n. Delegate all or any of its administrative powers to one or more officers of the Company and/or to one or more sub-committees.
- o. To make necessary authorizations for seeking corporate action, listing of the shares and other matters arising out of exercising of options.
- p. Determine terms and conditions for grant, vest and exercise of options in case of employees who are on long leave;
- q. Determine the terms and conditions, not inconsistent with the terms of the ARSUS-2020, of any Option granted hereunder.

- r. Approve forms or agreements for use under the ARSUS-2020.
- s. Decide all other matters that must be determined in connection with an Option under the ARSUS-2020.
- t. Construe and interpret the terms of ARSUS-2020 and the Options granted pursuant to the ARSUS-2020.
- u. Do all that may be necessary to ensure compliance of the ARSUS-2020 and administration thereof with the SEBI Regulations.
- v. Frame suitable policy, procedure and system to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities market) Regulations, 2003 to be followed by the Company, Participants, as applicable.
- w. The procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of corporate actions including rights issues, bonus issues, consolidation, sub-division of shares, merger, sale of division and others related actions ("Corporate Action"). In this regard following shall be taken into consideration by the Committee:
 - i. The number and the price of ARSUS-2020 shall be adjusted in a manner such that total value of the ARSUS-2020 remains the same after the Corporate Action.
 - ii. For this purpose global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered.

- iii. The Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Option-holders.
 - iv. Such other things as the SEBI Regulations may prescribe from time to time.
- 4.3. All decisions made by the Committee in the matter referred to above shall be conclusive and binding on all parties concerned (including, but not limited to, Grantee and/ or Participants and their beneficiaries or successors). Neither the Company nor Committee shall be liable for any action or determination made in good faith with respect to ARSUS-2020 or any Option granted there under.

5. ELIGIBILITY/IDENTITY OF THE CLASSES OF PERSONS ELIGIBLE UNDER ARSUS-2020

Pursuant to Clause 3.10 of this Scheme, the Employees, who are identified by the Committee, shall be entitled to participate in ARSUS-2020. The Committee will decide which Employee should be granted Options under ARSUS-2020 and accordingly, the Company would offer the Options to these identified Eligible Employees.

6. SHARES POOL/NUMBER OF OPTIONS/NO. OF SHARES PER OPTIONS.

The total number of options to be granted is 10,50,000 to the associates of the company (i.e. 4,18,000 options for the associates of the company and 6,32,000 options for the associates of its subsidiaries, joint ventures and associates in India and abroad). The Option holder is eligible to receive one equity share for every one stock option granted to him/her on exercise of the said option as per this ARSUS-2020.

7. MAXIMUM NUMBER OF OPTIONS TO BE ISSUED PER EMPLOYEE AND IN AGGREGATE

Maximum number of options to be issued per employee per year shall not exceed 50,000 and 4,18,000 in the aggregate.

8. EXERCISE PRICE

The exercise price shall be the face value of the share, ie Rs. 5 per share.



9. GRANT OF OPTIONS

- 9.1. The Committee may offer the Options to a Grantee in accordance with the terms and conditions of ARSUS-2020 for the time being in force. Letters of grant will be accompanied by a Disclosure Statement containing inter-alia, statement of risks, information about the Company and salient features of the ARSUS-2020.
- 9.2. Each Option will entitle the Participant to one Share of the Company.
- 9.3. The Grant of the Options by the Committee to the Grantee shall be made in writing and communicated to the Grantee. Such a Grant shall state the number of Options offered, Vesting Period, Exercise Period and the Exercise Price.
- 9.4. An offer made under clause 9.1 above is personal to the Grantee and cannot be transferred, pledged, hypothecated, mortgaged or otherwise alienated in any manner whatsoever.
- 9.5. No amount is payable at the time of grant of options by the Grantee.

10. METHOD OF ACCEPTANCE

- 10.1. Any Grantee who wishes to accept an offer made pursuant to Clause 9 above must deliver an Acceptance Form, prescribed by the Committee from time to time, duly completed as required therein, to the Committee on or before the Closing date stated in the Grant Letter.
- 10.2. Any Grantee who fails to return the Acceptance Form on or before the Closing date shall, unless the Committee determines otherwise, be deemed to have rejected the offer and any acceptance received after the Closing Date shall not be valid.

10.3. Upon receipt of a duly completed Acceptance Form from the Grantee in respect of the Grant, the Grantee will become the Participant. The Committee may then issue to the Participant, a statement, in such form, as it deems appropriate, showing the number of Options to which the Participant is entitled pursuant to the acceptance of such offer and the number of Shares for which the Participant will be entitled to subscribe pursuant to such Options.

11. LOCK – IN PERIOD

There shall be no lock – in period after vesting of the options.

12. VESTING OF OPTIONS

There shall be a minimum period of one year between the grant of options and vesting of options. Vesting of Options will be as per the schedule given below:

Period	% of Options vesting
12 months from the date of grant	30%
24 months from the date of grant	50%
36 months from the date of grant	20%

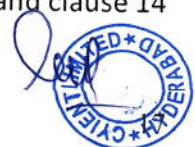
The maximum period within which the options shall be vested is 36 months from the date of grant.

The options may vest subject to the terms and conditions as may be stipulated by the Committee, which may include satisfactory performance of the Employee and their continued employment with the company, as the case may be, unless such employment is discontinued on account of death, permanent/total disability or on retirement.



13. EXERCISE OF OPTIONS

- 13.1. The Vested Options shall be exercisable according to the terms and conditions as determined and set forth under ARSUS-2020.
- 13.2. Subject to clause 14.1, the Participant alone can Exercise the Vested Option.
- 13.3. Subject to Clause 10 above and clause 14 below, the Employee can Exercise the Vested Options within the Exercise Period (Clause 3.13). Such Exercise may be of all Vested Options or part of the Vested Options.
- 13.4. Exercise of the Options shall take place at the time and place designated by the Committee or Company and by executing such documents as may be required under Applicable Laws to pass a valid title to the relevant Shares to the Participant, free and clear of any liens, encumbrances and transfer restrictions save for those set out therein.
- 13.5. An Option shall be deemed to be exercised only when the Committee receives a written notice of Exercise and the Exercise Price (in accordance with the Scheme) from the person entitled to Exercise the Option specifically mentioning the following:
- i. Number of options that he is willing to exercise under the ARSUS-2020;
 - ii. Demat Account details specifying Depository Participant (D.P.) ID No. and Client ID No. to which the equity shares shall be transferred;
- 13.6. On Exercise, the Participant can subscribe to the Shares on the full payment of the Exercise Price and taxes, if any required to be deducted by the Company in respect of Exercise of the Options, and the Company shall allot the Shares to the Participants by crediting the same to the participants demat account, or, if requested in writing by the Participant, to the demat account held jointly by Participant with another person.
- 13.7. Notwithstanding anything else contained in ARSUS-2020, if the Participant does not Exercise his Vested Options within the time specified in clause 13.3 above and clause 14 below, the Options shall lapse.



13.8. There shall be no cashless Exercise of the Options.

13.9. Notwithstanding anything contained elsewhere in the Scheme, the Committee may if the exercise of options within the exercise period, is prevented by any law / regulation in force or order of any jurisdictional court, defer or not permit the exercise of options so long as it is prohibited by the applicable laws or regulations and in such an event, the Company shall not be liable to pay any compensation or similar payment to the stock option Grantee for any loss suffered due to such prohibitions and the exercise period shall stand extended by such period but not beyond the tenure of the ARSUS-2020.

Provided further, that the Committee shall have the power to cancel all or any of the options granted under the ARSUS-2020, if so required, under any law for the time being in force or the order of any jurisdictional court. In the event of any such cancellation, no compensation shall be payable to the Grantee for such cancelled options.

13.10. An Associate can exercise vested options at one time or various points of time within the exercise period.

14. TERMINATION OF EMPLOYMENT

14.1. On death of a Participant

In the event of death of a Participant while in employment, all the Options granted to him till such date shall vest in the Beneficiary of the deceased Participant. All the Vested Options shall be permitted to be exercised within one year from the date of death of such employee.

14.2. On Disability of Participant

In the event of the termination of a Participant's employment with the Company or its Subsidiary Companies or its holding Companies or associate companies as a result



of total or permanent incapacity, all the Options granted to him as on the date of permanent incapacitation, shall vest in him. All the Vested Options shall be permitted to be exercised within one year from the date of such permanent incapacitation of employee.

14.3. On Attainment of Superannuation age

In case the service of the Participant with the Company or its Subsidiary Companies or its holding Companies or associate companies is terminated due to retirement on superannuation, all the Unvested Options shall continue to vest as per terms of the grant.

All the Vested Options shall be permitted to be exercised within such period as may be decided by the Committee at its absolute discretion; however, in no case such period shall be more than the exercise period.

However, the Committee is having the right to cancel/withdraw all the options granted (including vested and unvested) to such employee in case in the opinion of the Company the participant is found to be employed with the competitors of the Company or serving or advising the competitors in any manner.

14.4. Voluntary Termination/Termination due to resignation/Termination due to misconduct:

If the employee/Director voluntarily terminates employment with the Company/ subsidiary company/holding company/associate company or termination due to resignation as per the rules of the company, the options to the extent not vested shall lapse/expire and be forfeited forthwith. All the vested options shall be exercised within a period of six months. However in case of termination due to misconduct all the options (both vested and unvested) shall lapse.



14.5. Other Termination

In case of termination of an employee other than voluntary termination/ resignation/ termination due to misconduct, the options to the extent not vested shall lapse/expire and be forfeited forthwith. The Committee shall decide at its absolute discretion, the time within which the employee shall exercise the vested options in such case; however in no case such time shall be more than one year from the date of such termination.

However the Committee has the right to cancel/withdraw all the options granted (including vested and unvested) to such employee in case in the opinion of the Company the participant is found to be employed with the competitors of the Company or serving or advising the competitors in any manner.

14.6. Long Leave

Long leave of the Participant upto three months shall not have any effect on the ARSUS-2020 as applicable to the Participant. However, for long leave of the participant beyond three months, 50% of the unvested options which they are eligible to receive shall lapse. The exercise period of the participant who are on long leave shall be as per the original exercise period as per the scheme or six months from the date of joining of duty whichever is later. Granting of the options to the employees is absolute discretion of the Committee subject to the conditions contained in this scheme.

14.7. Statutory Leaves:

The above restrictions mentioned in clause 14.6 shall not apply to the statutory leaves available to such employees under the applicable laws. However in case the exercise period of such participants as per the scheme ends during the such statutory leave period then such employees can exercise the same within six months from the date of joining the duties after such statutory leave.



15. CORPORATE ACTION

- 15.1. In case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division and others, if any additional Equity Shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of the Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.
- 15.2. In the event of a Corporate Action, the Committee in consultation with the Board, subject to the provisions of ARSUS-2020 and the SEBI Regulations, shall determine the number of Shares which can be acquired on Exercise of an Option (vested as well as unvested) or the Exercise Price in respect of such Shares, or both the number and the Exercise Price, subject to the applicable rules and regulations. Such number and/or Exercise Price would be determined by the Committee as is appropriate in accordance with the Regulations.
- 15.3. The company shall conform to the accounting policies specified in clause 15 of the Regulations.

16. METHOD OF VALUATING THE OPTIONS

The company will adopt the Fair value method to value the options granted under the Scheme or such other valuation as may be decided by the Committee.

17. THE APPRAISAL PROCESS FOR DETERMINING THE ELIGIBILITY OF EMPLOYEES TO THE ARSUS-2020

The process for determining the eligibility criteria for the eligible employees will be specified by the Committee, and will be based on an appraisal process consisting, inter alia, of the employee's grade, years of service, present performance and potential, conduct and such other factors as may be decided by the committee from time to time.



18. POWER TO SURRENDER OPTIONS

The Employees are free to surrender their options voluntarily, whether vested or not, if in their opinion, the options granted are not beneficial to them, even before the expiry of their exercise period.

19. LAPSED/ SURRENDERED/CANCELLED/FORFEITED OPTIONS

All the options that are lapsed/surrendered/cancelled/forfeited shall be available for re- issue to the Committee.

20. NOTICES AND CORRESPONDENCE

20.1. Any notice required to be given by a Participant to the Company or the Committee or any correspondence to be made between a Participant and the Company or the Committee may be given or made to the Company at the registered office of the Company or as may be notified by the Company or Committee in writing.

20.2. Any notice, required to be given by the Company or the Committee to a Participant or any correspondence to be made between the Company or the Committee and a Participant shall be given or made by the Company or the Committee on behalf of the Company at the address provided by the Participant in his Acceptance Form.

21. BENEFICIARY DESIGNATION

21.1. Each Participant under the ARSUS-2020 may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit under the ARSUS-2020 are to be delivered in case of his death before he receives all of such benefit. Each such nomination shall revoke all prior nominations by the same Participant. The Nomination shall be in a form prescribed by the Company and will be effective only when filed by the Participant in writing with the Company during the Participant's lifetime.



21.2. In the event of death of the Grantee, the nominee specified as aforesaid shall alone be entitled to exercise the rights of the Grantee concerned and the Company shall not be liable in relation to any rights and obligations amongst the legal heirs inter-se the Grantee concerned.

21.3. Where the Grantee has not made the nomination as above, then, the person appointed as nominee by the Grantee as per the Provident Fund rules, shall be deemed to be the nominee for the purposes of ARSUS-2020.

21.4. If the Grantee fails to make a nomination as mentioned above in any case, the options shall vest on legal heirs in the event of death.

22. NON-TRANSFERABILITY OF OPTIONS:

Save as provided in Clause 14.1 above, the Options granted herein, are personal to the Participant. The Options cannot be assigned, alienated, pledged, attached, hypothecated, sold, or otherwise transferred or encumbered by the Participant otherwise than by will or by the laws of descent, to the extent permitted under the Applicable Laws and any purported assignment, alienation, pledge, attachment, sale, transfer, or encumbrance not permitted herein shall be void and unenforceable against the Company.

23. WITH-HOLDING TAX:

23.1. All Options granted under ARSUS-2020 shall be subject to all applicable withholding tax requirements, if any, and the Company or Committee may withhold such taxes accordingly.

23.2. All the tax liabilities arising on disposal or transfer of shares by the Grantees after exercise of options would be required to be borne by the Grantee directly.



- 23.3. The Grantee shall be responsible for and pay all the applicable taxes including the applicable withholding taxes on the stock benefit arising at the time of vesting/exercise/allotment of the shares as per the prevailing and applicable tax laws in force.
- 23.4. In the event of any tax liability arising on account of the ARSUS-2020, the Company shall have the right to deduct the same from the salary or to cause the shares eligible or held by the Grantee under this ARSUS-2020, to be sold or otherwise alienated to meet the liability, on behalf of the Grantee.
- 23.5. Notwithstanding anything else contained in ARSUS-2020, no Shares/sale proceeds therefrom, as the case may be, shall be disbursed to the Participant or his Beneficiary, on Exercise of the Options under this ARSUS-2020 /winding up of the ARSUS-2020 unless appropriate taxes as required under the applicable tax laws, are discharged.

24. TERM OF ARSUS-2020

- 24.1. ARSUS-2020 shall continue in effect unless terminated by the Company in accordance with applicable laws.
- 24.2. Any such termination of ARSUS-2020 shall not affect Options already granted and such Options shall remain in full force and effect as if ARSUS-2020 had not been terminated unless mutually agreed otherwise between the Participants and the Committee/the Company.

25. ARBITRATION

In the event of a dispute arising out of or in relation to the contract concluded under this ARSUS-2020 (including a dispute relating to the construction or performance thereof), the Parties shall attempt in the first instance to resolve such dispute through an amicable settlement. If the Parties fail to resolve the dispute by reaching a mutual understanding, then either Party may refer the dispute to a single arbitrator acceptable



to both and failing agreement, to three arbitrators, one to be appointed by either Party and the third arbitrator to be jointly appointed by the two arbitrators appointed by the Parties. The arbitration proceedings shall be held in Hyderabad, India under and in accordance with the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof for the time being in force.

26. GOVERNING LAW

26.1. ARSUS-2020 and all agreements thereunder shall be governed by and construed in accordance with the laws of India.

26.2. ARSUS-2020 and all agreements thereunder shall be subject to the jurisdiction of the courts at Hyderabad, Telangana, India.

26.3. The Participant agrees and acknowledges that the Participant has received and read a copy of ARSUS-2020. The Options are subject to ARSUS-2020. Any term of the ARSUS-2020 that is contrary to the requirement of the Central Government Guidelines or SEBI Regulations or any other Applicable Laws or other Indian regulations shall not apply to the extent it is contrary.

27. REGULATORY APPROVALS

The implementation of ARSUS-2020, the granting of any Option under the ARSUS-2020 and the issuance of any Shares under this ARSUS-2020 shall be subject to the procurement by the Company and the Participants of all approvals and permissions required by any regulatory authorities having jurisdiction over the ARSUS-2020, the Options and the Shares issued pursuant thereto. The Participants under this ARSUS-2020 will, if requested by the Committee, provide such assurances and representations to the Company, as the Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.



28. MODIFICATION OF SCHEME

28.1. Subject to compliance with the requirement of SEBI Regulations and other applicable laws, the Committee may at any time and from time to time:

- i. Revoke, add to, alter, amend or vary all or any of the terms and conditions of ARSUS-2020 or all or any of the rights and obligations of the Participants;
- ii. Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Participants. Each of such sets of special terms and conditions shall be restricted in its application to those Participants;
- iii. Formulate separate sets of special terms and conditions in addition to those set out herein, to apply to each class or category of Participants separately and each of such sets of special terms and conditions shall be restricted in its applications to such Participants; and
- iv. Alter the Exercise Price, if the Option becomes unattractive due to fall in market price of the share.

Provided that no variation, alteration, addition or amendment to the ARSUS-2020 can be made if it is detrimental to the interest of the Participant/ Grantee.

28.2. The company is entitled to vary the terms of the schemes to meet any regulatory requirements.

29. MISCELLANEOUS PROVISIONS

29.1. No rights of a Shareholder

The Participant shall have no rights to receive any dividend or to vote or in any manner



enjoy the benefits of a Shareholder in respect of option granted to them, until the name of the Participant has been entered in the register of members of the Company as the holder of the Shares provided hereunder to such Participant.

29.2. Set-off

The Company's obligation to convey to the Participant that the Shares shall be subject to set-off or counterclaim of amounts owed by the Participant to the Company or Group, to the extent permitted under Applicable Laws.

29.3. Validity of the Scheme

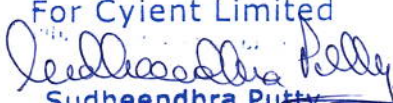
The Scheme shall continue to be in force until its termination by the Board/Committee in accordance with applicable laws.

30. CONFIDENTIALITY

The Participant shall not divulge the details of ARSUS-2020 to any person except with the prior written permission of the Committee unless so required to do under any statutes or regulations applicable to such Participant.

31. CERTIFICATE FROM AUDITORS

The board shall at each annual general meeting place before the shareholders a certificate from the auditors of the company that the ARSUS-2020 has been and/or will be implemented in accordance with these regulations and in accordance with the resolution of the company in the general meeting.

For Cyient Limited

Sudheendra Putty
Company Secretary