

**CYIENT LIMITED**  
**ASSOCIATE STOCK OPTION PLAN 2015**

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**1. NAME OF THE SCHEME:**

This Scheme shall be termed the Associate Stock Option Plan 2015 (the "Plan/Scheme/ASOP-2015"). ASOP 2015 of Cyient Limited (the "Company"). ASOP-2015 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 ASOP-2015 for granting stock options to employees under ASOP-2015.

The purpose of the Scheme is to attract and retain qualified, talented and competent personnel in the Company. The company has instituted an Associate Stock Option Plan (ASOP) (hereinafter called "the scheme") in accordance with the Securities & Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (including any modifications therein from time to time) (hereinafter known as "SEBI Regulations") and reserved an appropriate number of shares thereunder to allot equity shares against the stock options to be granted to the employees of the company and its subsidiaries, joint ventures and associates in India and abroad.

This document sets out the features of the ASOP-2015, 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 ASOP-2015. This document should be carefully read and understood and the procedures prescribed shall be diligently observed for availing the benefits under ASOP-2015.



### 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 ASOP-2015.
- 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 ASOP-2015, 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 ASOP-2015 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 ASOP-2015 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 ASOP-2015. 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 ASOP-2015, 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 ASOP-2015.

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 ASOP-2015, 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 ASOP-2015.
- 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 ASOP-2015.
- 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 Clause 49 of the equity Listing Agreement as prescribed by the SEBI.
- 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, through trust, at a pre-determined price.
- 3.25. **"Participant"** means a Grantee who accepts an offer from the Company to participate in ASOP-2015 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/ASOP-2015"** 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 ASOP-2015.
- 3.41. **"Vesting Period"** means the period during which the vesting of the Option granted to the Participant in pursuance of ASOP-2015 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 ASOP-2015**

- 4.1. ASOP-2015 shall be administered by the Committee. The Committee is, subject to compliance with the SEBI Regulations, authorised to interpret ASOP-2015, to establish, amend and rescind any rules and regulations relating to ASOP-2015 and to make any other determinations that it deems necessary or desirable for the administration and implementation of ASOP-2015. 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 ASOP-2015, administer, supervise and implement or alter the same in accordance with applicable provisions in this behalf.
  - b. Meet as and when necessary to administer ASOP-2015;
  - c. Authorize one or more of its members, being an independent director, to grant options under this ASOP-2015 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 ASOP-2015 from time to time, frame suitable procedures and prescribe forms and issue in relation to the ASOP-2015 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 ASOP-2015.
  - 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 ASOP-2015;
- 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 ASOP-2015, of any Option granted hereunder.
- r. Approve forms or agreements for use under the ASOP-2015.
- s. Decide all other matters that must be determined in connection with an Option under the ASOP-2015.
- t. Construe and interpret the terms of ASOP-2015 and the Options granted pursuant to the ASOP-2015.
- u. Do all that may be necessary to ensure compliance of the ASOP-2015 and administration thereof with the SEBI Regulations.
- v. Frame suitable policy, procedure and system to comply with the Securities and Exchange Scheme 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 ASOP-2015 shall be adjusted in a manner such that total value of the ASOP-2015 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.

x. 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 ASOP-2015 or any Option granted there under.

#### 5. ELIGIBILITY/IDENTITY OF THE CLASSES OF PERSONS ELIGIBLE UNDER ASOP-2015

Pursuant to Clause 3.10 of this Scheme, the Employees, who are identified by the Committee, shall be entitled to participate in ASOP-2015. The Committee will decide



which Employee should be granted Options under ASOP-2015 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 12,00,000 to the associates of the company (i.e. 840,000 options for the associates of the company and 360,000 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 ASOP-2015. Accordingly, the maximum number of Shares that may be issued pursuant to Exercise of Options granted to the Participants under ASOP-2015 shall not exceed 12,00,000 (Twelve Lakhs) Equity Shares of Face Value of Rs.5/- each.

**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 60,000 and 12,00,000 in the aggregate.

Maximum quantum of benefits to be issued per employee under the scheme shall not exceed 60,000 per year.

**8. EXERCISE PRICE**

The exercise price shall be market price as defined in the SEBI Regulations.

**9. GRANT OF OPTIONS**

- 9.1. The Committee may offer the Options to a Grantee in accordance with the terms and conditions of ASOP-2015 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 ASOP-2015.



- 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, the Exercise Price and the Closing Date of accepting the offer.
- 9.4. The Closing date shall not be more than 60 (Sixty) days from the Grant Date.
- 9.5. 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.
- 9.6. 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 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	10%
18 months from the date of grant	15%
24 months from the date of grant	20%
30 months from the date of grant	25%
36 months from the date of grant	30%

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/Directors 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 ASOP-2015.



- 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 ASOP-2015;
  - 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 ASOP-2015, 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 ASOP-2015.

Provided further, that the Committee shall have the power to cancel all or any of the options granted under the ASOP-2015, 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 Employee 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 ASOP-2015 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 12,00,000 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 ASOP-2015 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 intrinsic 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 ASOP-2015**

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 not 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 ASOP-2015 may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit under the ASOP-2015 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 ASOP-2015.

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 ASOP-2015 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 ASOP-2015, 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 ASOP-2015, to be sold or otherwise alienated to meet the liability, on behalf of the Grantee.
- 23.5. Notwithstanding anything else contained in ASOP-2015, 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 ASOP-2015/winding up of the ASOP-2015 unless appropriate taxes as required under the applicable tax laws, are discharged.

#### **24. TERM OF ASOP - 2015**

- 24.1. ASOP-2015 shall continue in effect unless terminated by the Company in accordance with applicable laws.
- 24.2. Any such termination of ASOP-2015 shall not affect Options already granted and such Options shall remain in full force and effect as if ASOP-2015 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 ASOP-2015 (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. ASOP-2015 and all agreements thereunder shall be governed by and construed in accordance with the laws of India.

26.2. ASOP-2015 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 ASOP-2015. The Options are subject to ASOP-2015. Any term of the ASOP-2015 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 ASOP-2015, the granting of any Option under the ASOP-2015 and the issuance of any Shares under this ASOP-2015 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 ASOP-2015, the Options and the Shares issued pursuant thereto. The Participants under this ASOP-2015 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 ASOP – 2015**

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 ASOP-2015 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 ASOP-2015 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.

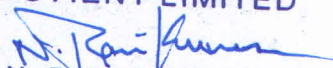
#### **30. CONFIDENTIALITY**

The Participant shall not divulge the details of ASOP-2015 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 ASOP-2015 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**

  
**N. RAVI KUMAR**  
Dy. Company Secretary



Ref: NSE/LIST/64429

March 02, 2016

The Company Secretary,  
Cyient Limited  
4th Floor, A-Wing,  
Plot No. 11, Software Units Layout,  
Infocity, Madhapur  
Hyderabad - 500081

**Kind Attn: Mr.Ravi Kumar**

Dear Sir,

**Sub: In - Principle approval for listing upto a maximum of 1200000 equity shares of Rs.5/- each of Cyient Limited to be issued under ASOP 2015-Cyient.**

We are in receipt of your letter along with Information required in the statement as per Regulation 10(b) of SEBI (Share Based Employee Benefits) Regulations, 2014 certified by Merchant Banker and subsequent correspondences thereto, seeking in-principle approval for listing of a maximum of 1200000 equity shares of Rs. 5/- each to be allotted to the employees of the Company under the ASOP 2015-Cyient of the Company. In this regard, the Exchange is pleased to grant in - principle approval for the above equity shares to be allotted on exercise of options as and when exercised subject to fulfilling the following listing conditions:

1. Notification to the Exchange for issue of shares under Regulation 10(c) of SEBI (SBEB) Regulations, 2014 together with listing application only after allotment of securities and credit to the beneficiaries account or dispatch of share certificates, as may be applicable.
2. Receipt of statutory and other approvals and compliance of guidelines/regulations issued by the statutory authorities including SEBI, RBI, MCA, etc.
3. Compliance with all the guidelines, regulations, directions of the Exchange or any statutory authorities, documentary requirements from time to time.
4. Compliance of all conditions of SEBI (LODR) Regulations, 2015 as on date of listing.
5. Compliance to the Companies Act, 1956 / Companies Act, 2013 and other applicable laws.
6. Submissions of documents as given in the enclosed list (as per annexure)

The Exchange reserves its right to withdraw its In - Principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/incorrect/ misleading/false or in contravention of any Rules, Bye-laws and Regulations of the Exchange, SEBI (LODR) Regulations, 2015, Guidelines/ Regulations issued by statutory authorities, etc. Kindly note that the Exchange will issue approval for listing and trading of equity shares subject to the compliances as stated above.

Yours faithfully,  
For National Stock Exchange of India Limited

Kamlesh Patel  
Manager

CC: National Securities Depository Limited  
Kamala Mills Compound,  
Senapati Bapat Marg.,  
Lower Parel - Mumbai - 400 013

Central Depository Services Limited  
4th Floor, Trade world,  
P.J.Towers, 28th Floor,  
Dalal Street, Mumbai - 400 023

Checklist of all the further issues is available on website of the exchange at the following URL:  
[http://www.nseindia.com/corporates/content/further\\_issues.htm](http://www.nseindia.com/corporates/content/further_issues.htm)

1.

DCS/IPO/ND/ESOP-IP/741/2015-16  
February 18, 2016

The Company Secretary,  
**Cyient Limited**  
4th Floor, A-Wing,  
Plot No 11,  
Software Units Layouts Infocity,  
Madhapur ,Hyderabad 500081



Dear Sir,

**Re: Application of In-principle approval for 1200000 Equity shares of Re.5/- each to be issued under Associate Stock Option Plan 2015.**

We acknowledge the receipt of your letter on the captioned matter regarding in-principle approval for issue and allotment of maximum 1200000 Equity shares of Re.5/- each to be allotted by the company upon exercise of stock options in terms of SEBI (Shares Based Employee Benefits) Regulations 2014, together with copy of statement under Reg 10(b) and other enclosures and subsequent submissions by the company. In this regard, the Exchange is pleased to grant in-principle approval for issue and allotment of a maximum of 1200000 Equity Shares, which are likely to arise out of exercise of options as and when exercised under the Scheme subject to the company fulfilling the following conditions:

1. The company shall notify the Exchange as per the format prescribed under Reg 10(c) of (Share Based Employee Benefits) Regulations, 2014 together with listing application after the shares were allotted and the same are credited to the beneficiaries account or share certificates have been dispatched, as may be applicable.
2. Payment of fees as may be prescribed from time to time.
3. Receipt of statutory and other approvals and compliance of guidelines issued by the statutory authorities including SEBI, RBI, and MCA etc.
4. Compliance to all guidelines/regulation/directions of the Exchange or any statutory authorities, documentary requirements from time to time.
5. Compliance of all conditions of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as on date of Listing.
6. Compliance to the Companies Act, 2013 and other applicable laws.
7. Submissions of documents as given in the Checklist available on the BSE website under link <http://www.bseindia.com/static/about/downloads.aspx?expandable=2> under No. 4.5.15

The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Guidelines/Regulations issued by statutory authorities etc.

Kindly note that the Exchange will issue trading permission from time to time upon receipt of notification under Reg. 10(c) and subject to the compliance of the conditions as stated above.

Yours faithfully,

  
Nitn Pujari  
Manager