

Cyient DLM Limited
Associate Stock Option Plan 2023

Cyient DLM Limited

Regd. office: 3rd floor, Plot No. 11, Software Layout Units, Infocity
Hyderabad TG 500081CIN: U31909TG1993PLC141346

Certified True Copy

For **CYIENT DLM LIMITED**

S. K. Kishore
Company Secretary



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1. Name, Objectives and Term of the Plan

- 1.1 This employee stock option plan shall be called the '**Cyient DLM Associate Stock Option Plan 2023**' ("**ESOP 2023**" / "**Plan**").
- 1.2 The Company intends to use this Plan to attract, retain and motivate the key talents by way of rewarding their high performance and motivate them to contribute to the overall corporate growth and profitability. The Company views Options as a long-term incentive tool that would enable the Employees not only to become co-owners, but also to create wealth out of such ownership in future.
- 1.3 The Plan is established with effect from 09 September, 2023 on which the shareholders of the Company have approved the Plan by way of a special resolution, and it shall continue to be in force until (i) its termination by the Company as per provisions of Applicable Laws, or (ii) the date on which all of the Options available for issuance under the Plan have been granted, vested and exercised, whichever is earlier.
- 1.4 Subject to provisions of Clause 14 of this Plan, the Board or the Committee as authorized may at any time alter, amend, suspend or terminate the Plan.

2. Definitions and Interpretations

2.1 Definitions

- i. "**Applicable Laws**" means every law relating to Options, to the extent applicable, including and without limitation to the Companies Act, all relevant regulations of the Securities and Exchange Board of India particularly in connection with or after Listing, including the SEBI SBEB & SE Regulations, all relevant tax, securities, exchange control, corporate laws, or amendments thereof including any circular, notification issued thereunder, of India or of any relevant jurisdiction or of any Stock Exchange on which the Shares may be listed or quoted.
- ii. "**Associate Company**" shall have the same meaning as defined under section 2(6) of the Companies Act, 2013.
- iii. "**Board**" means the Board of Directors of the Company.
- iv. "**Companies Act**" means the Companies Act, 2013, rules made thereunder, and includes any statutory modifications or re-enactments thereof.
- v. "**Company**" means 'Cyient DLM Limited', a company incorporated under the provisions of the Companies Act, 1956, having CIN: U31909TG1993PLC141346



and having its registered office at 3rd floor, Plot No. 11, Software Layout Units, Infocity Hyderabad TG 500081 India.

- vi. **“Committee”** means the Nomination and Remuneration Committee of the Board, as constituted or reconstituted from time to time under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and having such powers as specified under the SEBI SBEB & SE Regulations read with powers specified in this Plan.
- vii. **“Closing Date”** means the last date on which the Grant of Options by the Company to an eligible Employee can be accepted. In case the last date is a non-working day, then the Closing Date shall be on the next working day.
- viii. **“Death”** for the purpose of this Plan shall mean death of an Option Grantee during the continuance of employment or service, which shall not include death due to suicide and any other reason(s) specified, if any, under the human resource policy of the Company.
- ix. **“Director”** means a member of the Board of the Company.
- x. **“Eligibility Criteria”** means the criteria as may be determined from time to time by the Committee for determining the eligibility of the Employees for Grant of Options under the Plan.
- xi. **“Employee”** means (a) a permanent employee of the Company working in or outside India; or (b) a Director of the Company, whether a whole-time director or not but excluding an Independent Director; or (iii) employees as mentioned in (a) and (b) above of a Subsidiary Company, in India or outside India, but shall not include:
 - (i) an employee who is a Promoter or a person belonging to the Promoter Group; and
 - (ii) a Director who either by himself /herself or through his/her relatives or through anybody corporate, directly or indirectly, holds more than 10% of the outstanding Shares of the Company

Provided further that post Listing, the term “Employee” shall be read as per the SEBI SBEB & SE Regulations as defined below:

“Employee” shall mean -

- (i) an employee as designated by the Company, who is exclusively working in India or outside India; or
- (ii) a Director of the Company, whether a whole-time Director or not,



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including a non-executive Director who is not a Promotor or member of the Promoter Group, but excluding an Independent Director; or
(iii) an employee as defined in sub clause (i) or (ii), of a Group Company including Subsidiary Company or its Associate Company, in India or outside India, or of a Holding Company but does not include-

- a. an employee who is a Promotor or a person belonging to the Promoter Group; or
- b. a Director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

- xii. **"ASOP 2023"** means this 'Cyient DLM Associate Stock Option Plan 2023', under which the Company is authorized to grant Options to the Employees.
- xiii. **"Exercise"** means expression of intention in writing by an Option Grantee to the Company to issue of Shares underlying the Options vested in him, in pursuance of this Plan, in accordance with the procedure laid down by the Company for Exercise of Options.
- xiv. **"Exercise Period"** means such time period commencing after Vesting within which the Option Grantee should exercise the Options vested in him in pursuance of the Plan, as more particularly specified at Sub-clause 8.2 of the Plan.
- xv. **"Exercise Price"** means the price determined by the Committee as per provisions of this Plan and specified in the Grant Letter, being payable by an Employee upon Exercise of the Options vested in him in pursuance of the Plan.
- xvi. **"Fair Market Value"** means fair market value of a Share of the Company as determined by a registered valuer appointed as per the provisions of the Companies Act.

Provided that after Listing, the term 'Fair Market Value' shall refer to "Market Price" within the meaning of the SEBI SBEB & SE Regulations.
- xvii. **"Grant"** means issue of Options to the Employees by the Company under the Plan.
- xviii. **"Grant Letter"** means the formal communication in writing as regards Grant made by the Company to the Employee containing specific details, terms and conditions of the Options.
- xix. **"Group" or "Group Company"** means two or more companies which, directly or indirectly, are in position to-



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- i. Exercise twenty-six percent, or more of the voting rights in the other company; or
 - ii. Appoint more than fifty percent, of the members of the board of directors in the other company; or
 - iii. Control the management or affairs of the other company.
- xx. **"Holding Company"** means any present or future holding company of the Company determined as per provisions of the Companies Act.
- xxi. **"Independent Director"** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- xxii. **"Listing"** means listing of the Company's Shares on any recognized Stock Exchange pursuant to an initial public offer ("IPO") of Shares or otherwise.
- xxiii. **"Misconduct"** means any of the following acts or omissions by an Option Grantee in addition to any provisions prescribed in the offer or terms of employment amounting to violation or breach of terms of employment as determined by the Committee after giving Option Grantee an opportunity of being heard:
 - (i) dishonest statements or acts of an Option Grantee, with respect to the Company;
 - (ii) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud committed by an Option Grantee;
 - (iii) gross negligence, misconduct or insubordination of an Option Grantee in connection with the performance of his duties and obligations towards the Company;
 - (iv) breach by an Option Grantee of any terms of his employment agreement or the Company's policies or other documents or directions of Company;
 - (v) participating or abetting a strike in contravention of any law for the time being in force; and
 - (vi) misconduct as provided under applicable labour laws after following the principles of natural justice.
- ii. **"Option"** means an employee stock option within the meaning of this Plan.
- iii. **"Option Grantee"** means an Employee who has been granted Option(s) and has accepted such Grant as required under the Plan and shall deem to include nominee/legal heir of an Option Grantee in case of his/her death to the extent provisions of the Plan are applicable to such nominee/ legal heir
- iv. **"Options Pool"** means such number of Shares a Company decides to reserve for



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granting of Options to the existing and future Option Grantees under ESOP 2022.

- v. **"Permanent Incapacity"** means any disability or incapacitation while in employment or service, of whatsoever nature, be it physical, mental, or otherwise, which incapacitates or prevents or handicaps an Option Grantee from performing any specific job, work or task which the said personnel was capable of performing immediately before such disablement, as determined by the Committee as per human resource policy of the Company.
- vi. **"Plan"** means ASOP 2023 as defined above in clause 2.1(xii).
- vii. **"Promoter"** shall have the same meaning as ascribed to it in regulation 2(1)(oo) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- viii. **"Promoter Group"** shall have the same meaning as ascribed to it in regulation 2(1)(pp) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- ix. **"Retirement"** means retirement or superannuation as per the human resource policy of the Company.
- x. **"SEBI SBEB & SE Regulations"** means the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations 2021 as amended and enacted from time to time read with all circulars and notifications issued thereunder.
- xi. **"Share"** means an equity share of the Company of face value of Rs. 10 (Rupees Ten) each fully paid-up including the equity shares arising out of the Exercise of Options granted under this Plan.
- xii. **"Stock Exchange"** means the National Stock Exchange of India Limited, BSE Limited, or any other recognized Stock Exchange in India on which the Company's Shares are listed or to be listed in future.
- xiii. **"Subsidiary Company"** means any present or future subsidiary company of the Company determined as per provisions of the Companies Act.
- xiv. **"Unvested Option"** means an Option, which is not a Vested Option.
- xv. **"Vested Option"** means an Option in respect of which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible to Exercise the Option.



- xvi. **“Vesting”** means earning by the Option Grantee, of the right to Exercise the Options granted to him in pursuance of the Plan.
- xvii. **“Vesting Condition”** means the condition(s) prescribed, if any, subject to satisfaction of which, the Options granted would vest in an Option Grantee.
- xviii. **“Vesting Date”** means the date(s) on which Grant of Options would vest in an Option Grantee, upon completion of the Vesting Period and compliance with any other conditions specified.
- xix. **“Vesting Period”** means the period during which the Vesting of the Option granted to the Option Grantee, in pursuance of the Plan takes place.

2.2 Interpretation

In this Plan, unless the contrary intention appears:

- (a) the clause headings are for ease of reference only and shall not be relevant for interpretation;
- (b) a reference to a clause number is a reference to its Sub-clauses;
- (c) words in singular number include the plural and vice versa;
- (d) words importing a gender include any other gender;
- (e) a reference to a schedule includes a reference to any part of that schedule which is incorporated by reference; and
- (f) the terms defined above shall for the purposes of this Plan have the meanings herein specified and terms not defined above shall have the meanings as defined in the Companies Act or Applicable Laws including the SEBI SBEB & SE Regulations, as the context requires. Reference to any act, rules, statute or notification shall include any statutory modifications, substitution or re-enactment thereof.

3. Authority and Ceiling

- 3.1 The shareholders of the Company have vide their special resolution dated 09 September, 2023 approved the Plan authorizing the Committee to grant not exceeding 10,56,173 (**Ten Lakh fifty six thousand one hundred and seventy three**) Options (**“Options Pool”**) to the eligible Employees in one or more tranches, from time to time, which in aggregate shall



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be exercisable into not more than 10,56,173 (**Ten Lakh fifty six thousand one hundred and seventy three**) Shares, with each such Option conferring a right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided under the Plan.

- 3.2 The maximum number of Options that may be granted to any identified Employee in any year shall in aggregate not exceed **[5,00,000] (Five Lakh)** of the issued equity Share capital (excluding outstanding warrants and conversions, if any) of the Company on the date of adoption of this Plan

Where Shares are issued consequent upon Exercise of an Option under this Plan, Options Pool as defined in Clause 3.1 above shall stand reduced to the extent of such Shares issued.

- 3.3 If an Option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options Pool specified above and shall become available for future Grants, subject to compliance with the provisions of the Applicable Laws.
- 3.4 In case of a Share split or consolidation, if the revised face value of the Share is less or more than the current face value as prevailing on the date of coming into force of this Plan, the maximum number of Shares available for being issued under Plan as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (number of Shares x face value per Share) prior to such Share split or consolidation remains unchanged after such Share split or consolidation. Thus, for example, if the prevailing face value of each Share is Rs. 10 per Share and the revised face value after the Share split is Rs. 5 per Share, the total number of Shares available under Plan would be (Shares reserved at sub-clause 3.1 x 2) Shares of Rs. 5 each. Similarly, in case of bonus issues, rights issues, merger, sale of division and others, the available number of Shares under Plan shall be revised to restore the value, in terms of Sub-clause 4.2(i) of this Plan.
- 3.5 Prior approval of shareholders of the Company in the general meeting by passing special resolution shall be obtained in case the Grant of Options to any identified Employee, in any one financial year, is equal to or exceeding 1% (one percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option.
- 3.6 In case of fresh Grant of Options after Listing, the Company shall obtain prior approval from the shareholders of the Company by way of ratification of the Plan.

4. Administration

- 4.1 The Plan shall be administered by the Committee. All questions of interpretation of the Plan or any Option granted thereunder shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Plan or



in any Option granted thereunder.

- 4.2 The Committee shall, in accordance with this Plan and Applicable Laws, determine the following:
- (a) The Eligibility Criteria for Grant of Option to the Employees;
 - (b) The quantum of Options to be granted to the eligible Employees, subject to the ceilings as specified in sub-clauses 3.1 and 3.2;
 - (c) The time when the Options are to be granted;
 - (d) The number of Options to be granted to each Employee;
 - (e) The terms and conditions subject to which the Options granted would vest in the Option Grantee;
 - (f) The specific Vesting Period and Vesting schedule of the Options granted;
 - (g) the Exercise Price of the Options granted;
 - (h) The Exercise Period within which the Employee can Exercise the Options and that Options would lapse on failure to Exercise the same within the Exercise Period;
 - (i) The specified time period within which the Employee shall exercise the Vested Options in the event of termination or resignation;
 - (j) Obtaining permissions from, making periodic reports to regulatory authorities, as may be required and ensuring compliance with all guidelines applicable in this regard;
 - (k) The procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of Options and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, *inter alia*, be taken into consideration by the Committee:
 - (i) the number and price of Options shall be adjusted in a manner such that total value of the Options in the hands of the Option Grantee remains the same after such corporate action; and
 - (ii) the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Option Grantees.
 - (l) The procedure and terms for the Grant, Vesting and Exercise of Options in case of Option Grantees who are on a long leave;
 - (m) The conditions under which Option vested into the Option Grantees may lapse in case of termination of employment for Misconduct;
 - (n) the procedure for buy-back of Options granted under the Plan 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 Options that the Company may buy-back in a financial year;
 - (o) Formulate suitable policies and procedures to ensure that there is no violation of Applicable Laws, in relation to this Plan by the Company and the Employees;



- (p) Approve forms, writings and/or agreements for use in pursuance of the Plan; and
 - (q) The procedure for funding for Exercise of Options, as permitted under the Applicable Laws.
- 4.3 The Committee shall frame suitable policies and procedures to ensure that there is no violation of any securities laws including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 or any statutory modification or re-enactment of these regulations by the Company or any of its Employees, as applicable.

5. Eligibility and Applicability

- 5.1 Only Employees are eligible for being granted Options under Plan. The specific Employees to whom the Options would be granted, and their Eligibility Criteria would be determined by the Committee at its sole discretion.
- 5.2 The Plan shall be applicable to the Company and its Subsidiary(ies), and any successor company thereof to the extent any of their Employees have been granted Options under the Plan and apply to each Option Grantee.

Provided that in case of any Grant to the Employees of the Subsidiary, the Company shall obtain prior approval of the shareholders of the Company by way of a separate special resolution.

Provided further that in case of Grant after Listing to the Employees of any Group Company including that of the Holding Company or Associate Company, the Company shall obtain prior approval of the shareholders of the Company by way of a separate special resolution and this Plan shall be applicable to such companies.

- 5.3 The process for determining the eligibility of the Employees may include designation period of service, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

6. Grant and Acceptance of Grant

6.1 Grant of Options

- (a) Grants contemplated under the Plan shall be made on such day and month as decided by the Committee at its sole discretion.
- (b) Each Grant of Options under the Plan shall be made in writing by the Company



to the eligible Employees by way of Grant Letter containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Laws and will specify the number of Options to which the Option Grantee is entitled, the Exercise Price, method of payment, the Closing Date of accepting the offer, Vesting Date(s), Vesting Condition(s) and such other details as the Committee may specify.

6.2 Acceptance of the Grant

- (a) An eligible Employee who wishes to accept the Grant made under this Plan must deliver to the Company a duly signed acceptance of the Grant on or before the Closing Date, as specified in the Grant Letter.
- (b) Upon receipt by the Company of such signed acceptance, the eligible Employee will become an Option Grantee. Failure to deliver such acceptance before the specified date, shall result in rejection of the Grant and lapse of Options unless the Committee determines otherwise.

7. Vesting Schedule / Vesting Conditions

- 7.1 Options granted under Plan shall vest not earlier than the minimum Vesting Period of **1 (One) year** and not later than maximum Vesting Period of **7 (Seven) years** from the date of Grant.

Vesting of Options would be subject to continued employment with the Company, including Subsidiary Company(ies)/ Holding Company, and on achievement of certain performance criteria. Thus, the Options would vest essentially on achievement of performance criteria. In addition to this, the Committee may also specify certain performance criteria subject to satisfaction of which the Options would vest. The Options remaining unvested due to non-achievement of the specific performance parameters as outlined in the Grant letters of the Option Grantees are eligible to be carried forward to the subsequent financial year subject to the maximum period of **7 (Seven years)** as mentioned in clause (7.1)

Provided that in case where options are required to be granted by the Company under the Plan in lieu of options held by an employee under a similar plan in another company ("Transferor Company") which has merged, demerged, arranged or amalgamated with the Company, the period during which the options granted by the Transferor Company were held by such employee shall be adjusted against the minimum Vesting Period as per the Plan.

Provided further that in the event of Death or Permanent Incapacity of an Employee, the minimum Vesting Period shall not be applicable and in such instances, all the Unvested Options shall vest with effect from date of the Death or Permanent Incapacity.



7.2 Vesting of Options would be subject to continued employment with the Company, including Subsidiary Company (ies), holding Company, as the case may be, and has not served any notice of resignation. In addition to this, the Committee may also specify performance criteria subject to satisfaction of which the Options would vest.

7.3 The specific Vesting schedule and Vesting Conditions subject to which Vesting would take place would be outlined in the Grant Letter.

7.4 Vesting of Options in case of Option Grantee on long leave

The period of leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Committee.

8. Exercise

8.1 Exercise Price

The exercise price per option shall be the latest available closing price of an equity share of the Company on the stock exchange on which the equity shares are listed, on the date immediately prior to the date of the meeting of the Committee at which the options are granted. As the equity shares of the Company are listed on more than one stock exchange, the latest available closing price on the stock exchange with higher trading volume on the said date shall be considered.

Payment of the Exercise Price shall be made by online payment to the account of the Company, or in such other mode and manner as the Committee may decide from time to time.

8.2 Exercise Period

(a) Exercise while in employment/ service:

The Exercise Period in respect of a Vested Option shall be subject to a maximum period of **5 (Five)** years commencing from the date of Vesting all at one time or in tranches. The specific Exercise Period shall be intimated to the Option Grantee in the Grant Letter at the time of Grant.

(b) Exercise Period in case of separation from employment / service:

S. No. Events of Separation from employment as Vested Options	Unvested Options
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1	Resignation / termination (other than due to Misconduct)	All the Vested Options as on date of notice of resignation / termination shall be exercisable by the Option Grantee within a period of 180 days of the last working day.	All the Unvested Options as on date of notice of resignation/ termination shall stand cancelled with effect from date such resignation/ termination.
2	Termination due to Misconduct	All the Vested Options at the time of issuing notice of such termination shall stand cancelled with effect from the date of issuing notice of such termination.	All the Unvested Options at the time of issuing notice of such termination shall stand cancelled with effect from the date of issuing notice of such termination.
3	Retirement	All the Vested Options as on date of Retirement shall be exercisable by the Option Grantee within a period of 180 days of the last working day	• NRC committee may decide to Vest these Options based on CEO recommendation • For CEO , recommendation will be made by Non-Executive Chairman.
4	Death	All the Vested Options as on date Death shall vest, with effect from the date of Death, in the legal heirs or nominees of the deceased Option Grantee, and can be exercised by the Option Grantee's nominee or legal heirs within an Exercise Period of 180 days from the date of Death.	All the Unvested Options as on date Death shall vest immediately in the legal heirs or nominees of the deceased Option Grantee and such Vested Options may be exercised in the manner specified for Vested Options.
5	Permanent Incapacity	All the Vested Options as on date of incurring of such incapacity shall vest, with effect from the date of permanent incapacitation, and can be exercised within	All the Unvested Options as on date incurring such incapacity shall vest immediately and such Vested Options may be exercised in the manner specified for Vested



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		an Exercise Period of 180 days from the date of incurring such incapacity.	Options.
6	Abandonment of employment	All the Vested Options shall stand cancelled with effect from such date as determined by the Committee.	All Unvested Options shall stand cancelled with effect from such date as determined by the Committee.
7	Other reasons apart from those mentioned above	The Committee shall decide whether the Vested Options which are not exercised as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All the Unvested Options as on the date of separation shall stand cancelled with effect from such date unless otherwise required under Applicable Laws.

8.3 The Options shall be deemed to be exercised when an Option Grantee makes an application in writing to the Company or by any other means as decided by the Committee, for obtaining of Shares against the Options vested in him, subject to payment of Exercise Price, applicable taxes and compliance of other requisite conditions of Exercise.

8.4 Consequence of failure to exercise an option:

The amount paid by the Option Grantee, if any, at the time of Grant, Vesting or Exercise of Option (i) may be forfeited by the Company if the Option is not Exercised by the Option Grantee within the Exercise period; or (ii) may be refunded to the Employee if the Options are not Vested due to non-fulfilment of conditions relating to Vesting of Option as per the ASOP 2023

8.5 The Options not exercised within the prescribed Exercise Period shall lapse and an Option Grantee shall have no right over such lapsed or cancelled Options, which shall immediately get added back to the Options Pool.

9. Free transferability upon Listing

9.1 Upon Listing, the Option Grantee or his nominee/ legal heir, wherever applicable, can sell Shares arising out of the Exercise of the Options in the open market at any time in accordance with Applicable Laws and policies of the Company, subject to any lock in period as per Applicable Laws.

9.2 Upon Listing and subject to other provisions of the Applicable Laws, the Company shall list



new Shares issued under the Plan on the recognized Stock Exchange(s).

10. Lock-in

- 10.1 The Shares issued upon Exercise shall be freely transferable and shall not be subject to any lock-in period restriction after such issue except as required under the Applicable Laws including that under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, or code of conduct framed, if any, by the Company after Listing under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

11. Restriction on transfer of Options

- 11.1 Options shall not be directly or indirectly pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 11.2 Options shall not be directly or indirectly transferable to any person except in the event of death of the Option Grantee in which case provisions of Sub-clause 8.2(b) would apply.
- 11.3 No person other than the Employee to whom the Option is granted shall be entitled to Exercise the Option except in the event of the death of the Option Grantee in which case provisions of Sub-clause 8.2(b) would apply.

12. Other Terms and Conditions

12.1 Listing of Shares

In case of Listing, the Board is authorized to do such acts, deeds and things including but not limited to amendment of this Plan to make the Plan compliant with any Applicable Laws prevailing at that time.

- 12.2 The Option Grantee shall not have a right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of Options granted, till the time Shares are issued to them upon Exercise of such Options.
- 12.3 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Company (for example, bonus Shares, rights Shares, dividend, voting, etc.) in respect of any Shares covered under the Grant unless the Option Grantee exercises the Option and thereupon, becomes a registered holder of the Shares of the Company.
- 12.4 If the Company issues bonus or rights Shares, the Option Grantee will not be eligible for the bonus or rights Shares in the capacity of the Option Grantee. However, an adjustment to the



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number of Options or the Exercise Price or both would be made in accordance with Sub-clause 4.2(i) of Plan.

13. Deduction / recovery of Tax

- 13.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this Plan and the Shares issued pursuant to Exercise thereof shall be entirely on Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder and/or Income Tax Laws of respective countries as applicable to eligible Option Grantees working abroad, if any.
- 13.2 The Company shall have the right to deduct from the Option Grantee's salary or recover any tax that is required to be deducted or recovered under the Applicable Laws. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.
- 13.3 The Company shall have no obligation to issue Shares until the Company's tax deduction obligations, if any, have been satisfied by the Option Grantee in full.

14. Authority to vary terms

- 14.1 The Committee or the Board may, if it deems necessary, vary the terms of the Plan, subject to compliance with the requirements of the Applicable Laws and approval of the shareholders in a general meeting in such manner that such variation is not detrimental to the interest of the Employees. The Company shall be entitled to vary the terms of the Plan to meet any regulatory requirements.

Provided that post listing company shall be entitled to vary the terms of the Plan to meet any regulatory requirement without seeking shareholders' approval by way of a special resolution.

- 14.2 The Company may also re-price the Options which are not exercised, whether or not they have vested, if Plan is rendered unattractive due to fall in the value of the Shares, provided that the Company ensures that such re-pricing shall not be detrimental to the interest of the Option Grantee and approval of the shareholders by way of a special resolution has been obtained for such re-pricing.

15. Miscellaneous

- 15.1 Government Regulations



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This Plan shall be subject to all Applicable Laws, and approvals from governmental authorities.

- 15.2 The Company shall issue to the relevant Employee, all Shares arising from Exercise of Options and after payment of applicable taxes, only in dematerialized form. The demat account into which such Shares will be credited, must be in the name of the relevant Employee only and not jointly with any other person.

- 15.3 Inability to obtain authority

The inability of the Company to obtain authority from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful issuance and sale of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of the failure to issue or sell such Shares.

- 15.4 Neither the existence of this Plan nor the fact that an Employee has on any occasion been granted an Option shall give such Employee any right, entitlement or expectation that the Employee has, or will in the future, have any such right, entitlement or expectation to participate in this Plan by being granted an Option on any other occasion.

- 15.5 The rights granted to an Option Grantee upon the grant of an Option shall not afford an Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

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

- 15.7 Participation in Plan shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the market price of the Shares and the risks associated with the investments are that of the Option Grantee alone.

16. Accounting and Disclosures

- 16.1 The Company shall follow the rules/regulations applicable to accounting of Options with reference to Fair Market Value of Shares as on date of Grant.

- 16.2 The rules/regulations to be followed shall include but not limited to the IND AS / Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting



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Standards as may be prescribed by the Institute of Chartered Accountants of India or any other appropriate authority, from time to time, including the disclosure requirements prescribed therein.

- 16.3 After Listing, the Company shall comply with the accounting and disclosure requirements as prescribed under Regulation 15 of the SEBI SBEB & SE Regulations.

17. Certificate from Secretarial Auditors

Upon Listing, the Board shall at each annual general meeting place before the shareholders a certificate from the secretarial auditors of the Company that the Plan has been implemented in accordance with the SEBI SBEB & SE Regulations and in accordance with the resolution of the Company in the general meeting. The Board shall also make the requisite disclosures of the Plan, in the manner specified under the SEBI SBEB & SE Regulations.

18. Governing Laws and jurisdiction

- 18.1 The terms and conditions of the Plan shall be governed by and construed in accordance with the Applicable Laws of India including the foreign exchange laws.
- 18.2 The Court at Hyderabad and courts subordinate to it shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this Plan.
- 18.3 Nothing in this Clause shall however limit the right of the Company to bring proceedings against any Employee in connection with this Plan:
- (i) in any other court of competent jurisdiction; or
 - (ii) concurrently in more than one jurisdiction.

19. Notices

- 19.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this Plan shall be in writing and shall be sent to the address of an Option Grantee available in the records of the Company; or delivering the communication(s) to an Option Grantee in person with acknowledgement of receipt thereof; or emailing the communication(s) to an Option Grantee at the official email address provided, if any, during the continuance of employment or at the email address provided by an Option Grantee after cessation of employment.
- 19.2 Any communication to be given by an Option Grantee to the Company in respect of Plan



shall be sent at the address mentioned below or e - mailed at:

Designation:

Company Secretary

Cyient DLM Limited.

3rd Floor, Plot No. 11, Software Units Layout,

Infocity, Madhapur, Hyderabad, Telangana 500081

Or

Email: company.secretary@cyientdml.com

20. Nomination

The Employee has to nominate a person as his/her nominee. The nominee in case of Death or Permanent Incapacity of the Option Grantee, shall be the legal representative recognized by the Company as the inheritor of the Option Grantee in respect of all rights and liabilities for the purposes of this Plan. In the absence of a nominee or where a nominee is no longer able to act as a nominee on any grounds including the Death of the nominee and where a fresh nominee has not been named then the Legal Heir(s) of the employee shall be recognized by the Company as the inheritors of the Option Grantee in respect of all rights and liabilities for the purpose of this plan.

21. Severability

In the event any one or more of the provisions contained in this Plan shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this Plan in which case the Plan shall be construed as if such invalid, illegal, or unenforceable provisions had never been set forth herein, and the Plan shall be carried out as nearly as possible according to its original intent and terms.

22. Confidentiality

- 22.1 An Option Grantee must keep the details of the Plan and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, co-employees or with any employee and/ or associate of the Company or that of its affiliates. In case the Option Grantee is found in breach of this confidentiality clause, the Company has undisputed right to terminate any agreement and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality clause shall be final, binding and cannot be questioned by the Option Grantee. In case of non-adherence to the provisions of this clause, the Committee shall have the authority to deal with such cases as it may deem fit.



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- 22.2 On acceptance of the Grant of Option offered by the Company, it shall be deemed that as if the Option Grantee has authorized the Company to disclose information relating to the Option Grantee during the process of implementation of the Plan or while availing any consulting or advisory services thereof or any other incidental services to its officers, professional advisors, agents and consultants on a need to know basis.

