

SASKEN COMMUNICATION TECHNOLOGIES LIMITED

SASKEN EMPLOYEES' SHARE BASED INCENTIVE PLAN 2016

1. Introduction

This document is private and confidential and for the purposes of the addressee hereto and sets out the salient features of Sasken Communication Technologies Limited's ("Company's") Employees' Share Based Incentive Plan 2016 ("Incentive Plan 2016"); the duties and responsibilities of Employees and Trustees; benefits and procedures to be followed.

2. Purpose

The objective and purpose of the Plan is:

- (a) to promote the best interests of the Company and its Members by encouraging Eligible Employees (as defined below) to acquire an ownership interest in the Company through a Share Based Compensation Plan, thus aligning their interests with those of the Members of the Company;
- (b) to promote the long term interests of the Company by providing an incentive to attract, retain and reward Eligible Employees of the Company, its existing and future Subsidiary Company(ies), whether in or outside India, and by motivating such Employees to contribute to the growth and profitability of the Company, and thereby promoting the welfare of the Employees;
- (c) providing or assisting in the provision of general welfare and assistance through the Sasken Employee Welfare Trust (hereinafter the "Trust") to be established by the Company for the benefit of the Employees, inter alia, with the object that the Trustees should operate Scheme(s) / Plan(s) for providing incentives / motivation to employees by way of or similar to this Incentive Plan.

3. Definitions & Rules of Interpretation

A. Definitions

The following terms as used herein shall have the meaning specified:

- 3.1 "Act" means the Companies Act, 2013, including its rules, notifications, clarifications, circulars and press releases issued by the Ministry of Corporate Affairs, from time to time, including any statutory modification or re-enactment thereof for the time being in force.
- 3.2 "Appreciation" means the difference between the market price of Company's share on the date of exercise of Stock Appreciation Rights ("SARs") or vesting of SARs, as the case may be, and the SAR price.
- 3.3 "Base Price" shall be such price as may be determined by the Nomination and Remuneration Committee ("NRC") of the Board of the Company, from time to time.
- 3.4 "Board of Directors" or "Board" means the collective body of the Directors of the Company. The term shall be deemed to include any Committee, including the Compensation Committee already constituted by the Board under Section 178 of the Act bearing the nomenclature as NRC.



3.5 “**Business Days**” shall mean the days on which Company’s offices in Bengaluru are open for normal business operations but shall exclude Saturdays and Sundays.

3.6 “**Company**” shall mean Sasken Communication Technologies Limited.

3.7 “**Custodian**” shall mean such entity registered and authorised to provide custodial services under the Securities and Exchange Board of India (Custodian of Securities) Regulations, 1996 and appointed from time to time by the NRC / Trust, as the case may be, for the purposes of receiving and holding shares under this Plan.

3.8 “**Date of Acceptance**” shall mean the date of communication in writing to the NRC / Trust, as the case may be, of the acceptance of an Offer by an Eligible Employee by way of a letter substantially in the form as annexed hereto as **Annexure II**.

3.9 “**Date of Grant**” shall mean such date(s) on which the Letter of Offer shall be issued to the Eligible Employees under this Plan conferring a right on the Eligible Employees to purchase Shares / receive appreciation in the form of cash, as the case may be, from the NRC / Trust, as the case may be, in the manner as contemplated under this Plan.

3.10 “**Date of Vesting**” shall mean such dates as may be specified in the Letter of Offer, provided that such date shall not be less than 1 year from the Date of Grant.

3.11 “**Depository Participant**” shall mean such entity registered to act as a participant under the Depositories Act, 1996 and with whom the NRC / Trust, as the case may be, shall have opened a dematerialized securities account for the purposes of receiving and holding dematerialized Shares under this Plan.

3.12 “**Emergency**” means the need of funds by the NRC / Trust, as the case may be, to meet the commitment arising out of the objective of this Plan.

3.13 “**Eligible Employee**” shall mean an Employee who is selected by the NRC for grant of Offer, from time to time and is otherwise eligible for all the benefits under this Plan.

3.14 “**Employee**” shall mean:

- a) Permanent employees of the Company working in India or outside India; or
- b) Directors of the Company, whether Whole Time Directors or not, but excluding Independent Directors; and
- c) Permanent employees and Directors of the Subsidiary Company/ies working in India or outside India.

Following persons are not eligible:

- a) an employee who is a Promoter or belongs to the Promoter Group;
- b) a Director who either by himself or through his relatives or any Body Corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- c) an Independent Director within the meaning of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.15 “**Sasken Employees’ Share Based Incentive Plan 2016**” or “**Incentive Plan 2016**” shall mean this Plan.



3.16 **“Exercise”** means making of an Application by an Eligible Employee to the NRC / Trust, as the case may be, for issue of shares / appreciation in the form of cash or equity, as the case may be, against vested options / vested SARs in pursuance of this Plan.

3.17 **“Exercise Price”** shall mean the price payable by the Eligible Employee for exercising the options / SARs / Restricted Stock Units (**“RSUs”**) / other Stock Based Instruments, in any combination (read together as **“Stock Based Instruments”**), granted to him in pursuance of this Plan at a price as may be specified by the Board / NRC but shall not be lower than the face value of the shares.

3.18 **“Exercise Period”** shall mean the time period after vesting within which an Eligible Employee should exercise his right to apply for shares against the vested options / RSUs / other Stock Based Instruments or appreciation against vested cash settled SAR or Equity settled SAR in pursuance of this Plan and such period(s) as may be specified in the Letter of Offer.

3.19 **“Exercise Application”** shall mean the prescribed application form in which the Eligible Employee has to apply to the NRC / Trust, as the case may be, for an Exercise of Right and shall be accompanied with a cheque / Demand Draft for an amount equal to the Exercise Price and all other applicable expenses required to be paid by the Eligible Employee for exercising Stock Based Instruments, including any amounts required to be reimbursed to the Company for any fringe benefit tax or other similar taxes including without limitation perquisite tax, if any, paid by the Company in relation to either the grant of Stock Based Instruments by the Eligible Employee as well as such other documents as may be prescribed pursuant to the provisions of this Plan, or for exercising the Stock Based Instruments vested in him.

3.20 **“Fully Diluted Share Capital”** shall mean the Share Capital of the Company as calculated assuming the conversion, exercise or exchange of all securities which are convertible into or exchangeable with Shares of the Company, outstanding as of the date of such calculation (whether or not by their terms then currently convertible, exercisable or exchangeable).

3.21 **“Grant”** means the process by which the Company issues Stock Based Instruments to the Eligible Employees under this Plan.

3.22 **“Grant Date / Date of grant”** means the date of meeting of the NRC in which grant of Stock Based Instruments to the employees are approved.

3.23 **“Grantee”** means an Eligible Employee having a right but not an obligation to exercise Stock Based Instruments granted in pursuance of Incentive Plan 2016.

3.24 **“Independent Director”** means an independent director as defined under Section 2(47) of the Act and as per applicable laws and regulations, and as may be amended or substituted, from time to time.

3.25 **“Key Managerial Personnel”** shall mean such persons as defined under Section 2(51) of the Companies Act, 2013 as may be amended or substituted from time to time.

3.26 **“Letter of Offer”** shall mean the letter issued by the Company substantially in the form as set out in **Annexure I**, intimating the Eligible Employee of the Stock Based Instruments granted to him for acquiring a specified number of Shares at the specified Exercise Price / for receiving appreciation in the form of cash, as the case may be, in the manner as contemplated under this Plan.

3.27 **“Nomination and Remuneration Committee”** or **“NRC”** means the Committee of the Board constituted pursuant to Section 178 of the Act, inter alia, for supervising, monitoring and also in the process,



assisting the Trustees for and in connection with the proper implementation of the Plan by the Trust, if any and with the authority to implement and administer this Plan.

3.28 **“Offer”** shall mean the offer, in writing, by the NRC / Trust, as the case may be, to an Eligible Employee conferring the Stock Based Instruments available to such Eligible Employee for exercising such number of Stock Based Instruments as may be specified in such offer, from the NRC / Trust, as the case may be, in the manner as contemplated under this Plan.

3.29 **“Option(s)”** shall mean a right (but not an obligation) granted to an Eligible Employee pursuant to the Offer to purchase / subscribe at a future date, specified number of Shares of the Company from the NRC / Trust, as the case may be, in the manner as contemplated under this Plan.

3.30 **“Promoter”** has the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

3.31 **“Promoter Group”** has the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

Provided where the Promoter or Promoter Group of a company is a body corporate, the promoters of that body corporate shall also be deemed to be Promoters of such company.

3.32 **“Restructuring”** shall have the same meaning as defined in Clause 5.1(m).

3.33 **“Relative”** shall have the same meaning as defined under Section 2(77) of the Act.

3.34 **“Relevant Date”** means:

(i) in the case of Grant, the date of the meeting of the NRC on which the Grant is made; or

(ii) in the case of Exercise, the date on which the notice of Exercise is given to the Company by the Employee.

3.35 **“Retirement”** means retirement as per the Company Policies / Terms of Employment.

3.36 **“SEBI Act”** means the Securities & Exchange Board of India Act, 1992 and includes all regulations and clarifications issued there under.

3.37 **“SAR Grantee”** means an employee to whom SAR is granted.

3.38 **“SAR Price”** means the base price defined on the grant date of SAR for the purpose of computing appreciation.

3.39 **“SEBI SBEB Regulations”** shall mean Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

3.40 **“Secondary Market acquisition”** means acquisition of existing shares of the Company by the Trust from the Recognised Stock Exchange for cash consideration.

3.41 **“Settlor”** shall mean Sasken Communication Technologies Limited.



3.42 **“Shares”** shall mean the equity shares of the Company bearing face value of Rs. 10/- each or such other modified value due to any stock splits, consolidation or other re-organisation of the capital structure of the Company or as may be approved by the Members of the Company.

3.43 **“Stock Appreciation Rights”** or **“SARs”** means a right given to a SAR grantee entitling him to receive appreciation for a specified number of shares of the Company where the settlement of such appreciation may be made by way of cash payment or shares of the Company. SARs settled by way of shares are referred to as equity settled SARs.

3.44 **“Stock Based Instruments”** means options / Stock Appreciation Rights (**“SARs”**) / Restricted Stock Units (**“RSUs”**) / other Stock Based Instruments as may be formulated by SEBI from time to time, in any combination in pursuance of Incentive Plan 2016.

3.45 **“Stock Exchange”** means the National Stock Exchange of India Limited (**“NSE”**), BSE Limited (**“BSE”**), or any other stock exchange in India on which the Company’s Shares are listed.

3.46 **“Subsidiary”** or **“Subsidiary Company/ies”** means any existing or future Subsidiary Company/ies of the Company, as defined in the Act and any Body Corporate/s incorporated under the foreign laws.

3.47 **“Trust”** or **“Employee Welfare Trust”** means the Sasken Employee Welfare Trust, an irrevocable Trust, to be established under the provisions of the Indian Trusts Act, 1882 for the administration of the Incentive Plans of the Company for implementation of this Plan and to hold cash, shares or other securities of the Company for the purposes of any of the Incentive Plans of the Company implemented from time to time.

3.48 **“Trustee(s)”** shall mean the person(s) appointed in this behalf under the trust deed executed between the trustee and the settlor (**“Settlor”**) thereof (**“Trust Deed”**) or under any duly approved modification thereof and who shall hold the property of the Trust for the benefit of the Eligible Employees or in accordance with the provisions of the Trust Deed and in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

3.49 **“Unexercised Stock Based Instruments”** shall mean any Stock Based Instruments which has vested in an Eligible Employee under this Plan and is not exercised by him within such time as determined by the NRC, from the Date of Vesting.

3.50 **“Unvested Stock Based Instruments”** means any Stock Based Instruments in respect of which the relevant Vesting Conditions have not been satisfied and as such, the Grantee has not become eligible to Exercise the Stock Based Instruments.

3.51 **“Vest”** or **“Vesting”** shall mean the process by which the Eligible Employee is given the right to apply for Shares of the Company / receive appreciation in the form of cash or equity, as the case may be, against the Stock Based Instruments granted to him in pursuance of this Plan and the term **“Vested”** shall be construed accordingly.

3.52 **“Vesting Period”** means the period during which the vesting of Stock Based Instruments granted under this Plan takes place.



B. Rules of Interpretation

In this Plan, unless the contrary intention appears:

- (i) any reference to any statute or statutory provision shall also include:
 - (a) all subordinate legislation made from time-to-time under that provision as amended, modified, re-enacted or consolidated from time to time;
 - (b) such provision as may, from time to time, be amended, modified, re-enacted or consolidated following the date of effectiveness of this Plan;
- (ii) any reference to the singular shall include the plural and vice-versa;
- (iii) any references to the masculine, the feminine and the neuter shall include the others;
- (iv) the word “person” includes an individual, a firm, a body corporate and any authority;
- (v) the annexures form an integral part of this Plan and shall have the same force and effect as if expressly set out in the body of this Plan, and any reference to this Plan shall include any annexures to it. Any references to clauses and annexures are to clauses of and annexures to this Plan; and
- (vi) headings to clauses and schedules are for convenience only and do not affect the interpretation of this Plan (or any part thereof).

4. Administration of Plan

4.1. The NRC / Trustees (where necessary in consultation with the NRC), as the case may be, shall in exercise of the powers conferred on them, solely and exclusively administer, manage and operate the Plan.

4.2. The NRC / Trustees (where necessary in consultation with the NRC), as the case may be, shall interpret the Plan and shall, prescribe, amend, and rescind rules and regulations relating to the Plan, and make all other determinations necessary or advisable for its administration. The decision of the members of the NRC / Trustees, as the case may be, on any question concerning the interpretation of the Plan or its administration with respect to any grant under the Plan shall be final and binding upon all Eligible Employees. No member of the NRC / any Trustee shall be liable for any action or determination made in good faith with respect to the Plan hereunder.

4.3. The NRC / Trustees (where necessary in consultation with the NRC), as the case may be, shall while arriving at the decision on the quantum of the Shares / amount receivable as appreciation in the form of cash, as the case may be, for which an Offer may be made to an Eligible Employee, take into consideration the attributes such as (but not limited to) the grade of the Eligible Employee, his contribution to the overall performance of the Company / its Subsidiary Company(ies), the performance of any division of the Company / its Subsidiary Company(ies) to which such Eligible Employee belongs, the importance of the Eligible Employee to the future performance and success of the Company / its Subsidiary Company(ies), the sense of loyalty towards the Company / its Subsidiary Company(ies), the significance of the Eligible Employee in enterprise valuation of the Company / its Subsidiary Company(ies), etc. Without prejudice to the generality of the foregoing, the decisions of NRC / Trustees as above shall, be reasonably consistent with the recommendations made by the NRC pursuant to Clause 5.



4.4. Notwithstanding anything stated herein and subject to terms of the Special Resolution passed by the Members on December 23, 2016 and in terms of Special Resolution(s) passed by the Members of the Company from time to time, as required by law, the NRC / Trustees in consultation with the NRC, as the case may be, shall have the authority to determine the following, all in a manner consistent with the provisions of this Plan and applicable laws:

- a) the number of Stock Based Instruments to be allocated to each Eligible Employee;
- b) the date by which the Eligible Employee is required to furnish a written acceptance of the Offer;
- c) the number of tranches in which the Stock Based Instruments may be exercised by Eligible Employees and the number of Shares that may be purchased / amount that can be paid as appreciation in the form of cash, as the case may be, in each tranche;
- d) the Exercise Price covered under the Letter of Offer/s issued / to be issued by the NRC / Trust;
- e) the Exercise Period within which the Stock Based Instruments would have to be exercised by an Eligible Employee;
- f) the procedure and terms for the Grant, Vesting and Exercise of Stock Based Instruments in case of Employees who are on long leave;
- g) the conditions under which the Stock Based Instruments vesting in an Eligible Employee may lapse including in case of termination of employment of such Eligible Employee for any misconduct or fraud or for any loss of confidence in such Eligible Employee by the management of either the Company / its Subsidiary Company(ies);
- h) the right of an Eligible Employee to exercise the Stock Based Instruments vesting in such Eligible Employee at one time or at various points of time within the Exercise Period;
- i) the amendment, applicability or modification of any of the above in relation to any Eligible Employee or class of Eligible Employees;
- j) such other steps as may be felt necessary or expedient for administering this Plan by the NRC / subject to the terms of the Trust Deed, as the case may be, and applicable laws as may be prevailing at the relevant time.

4.5. The NRC / Trust, as the case may be, can accept shares in the form of gift from Promoters / Promoter Group / other shareholders.

4.6. Equity Shares that can be acquired from the Secondary Market in any financial year by the Trust shall not exceed 2% of the paid-up equity capital as at the end of the previous financial year, or such other limits as may be prescribed under the SEBI SBEB Regulations.

4.7. The total number of Shares under Secondary Acquisition held by the Trust shall not, at any time, exceed 5% of the paid-up equity capital of the Company as of March 31, 2016 i.e. 5% of 1,77,19,813 equity shares of Rs. 10 each, by which the Trust can buy 8,85,900 shares in aggregate, or such other limits as may be prescribed under the SEBI SBEB Regulations prior approval of shareholders by way of a separate resolution in the general meeting shall be obtained by the Company in case of secondary acquisition by trust wherein the



share capital expands due to capital expansion undertaken by the Company including preferential allotment of shares or qualified institutions placement, to maintain the 5% of such increased capital of the Company as in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014.

Provided that, prior approval of shareholders by way of a separate resolution in the general meeting shall be obtained by the Company in case of Secondary acquisition for implementation of the scheme. Such approval shall mention the percentage of secondary acquisition (subject to limits specified at 4.6 and 4.7 above) that could be undertaken.

4.8. The terms prescribed by the NRC / Trustees shall be final and binding on all the Eligible Employees.

4.9. The Trustees may borrow such amount of funds from the Company or any other party as may be required for exercising the Stock Based Instruments for the purpose of this Plan, subject to the terms and conditions of the Trust Deed.

4.10. Any transfer of shares from the Trust to Eligible Employees, shall be preceded with an approval by NRC.

5. Powers and authority of the Nomination and Remuneration Committee

5.1. Subject to the terms of the resolution passed by the Members of the Company approving the issue of Stock Based Instruments to the Eligible Employees under this Plan, and in terms of the Special Resolution(s) passed by the Members of the Company from time to time, as required by law, the NRC shall have the power and authority to determine certain aspects and terms governing this Plan, in its absolute discretion, including but not limited to the following:

- a) determining the Eligible Employees amongst the different categories of Employees to whom the Offer is to be made;
- b) criteria for determination of the Eligible Employee to whom the Stock Based Instruments are to be offered;
- c) the time when the Stock Based Instruments would be granted;
- d) the criteria for determining the number of Stock Based Instruments to be granted to the Eligible Employees;
- e) the period/s and date/s in relation to which the criteria for determining the number of the Stock Based Instruments to be granted are to be determined and fulfilment of conditions to be verified;
- f) the number of the Stock Based Instruments to be granted to identified employees in a financial year shall not equal to or not exceed 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company as at the time of grant of Stock Based Instruments;
- g) the terms and conditions subject to which the Stock Based Instruments Vesting would be exercisable by the Eligible Employee;
- h) the number of Stock Based Instruments to be apportioned / allocated for various grades of Eligible Employees;



- i) assignment of weightage to length of service, grade and performance rating of the Eligible Employee;
- j) Approve Letters of Offer to be provided to the Eligible Employee and other forms of agreement which are required to be executed by the Eligible Employee pursuant to the Plan, forms part of agreement for use in pursuance of the incentive plan 2016.
- k) the conditions under which Stock Based Instruments vesting in an Eligible Employee may lapse;
- l) amending / suspending / terminating the Plan / terms of the Plan in the best interests of the Company;
- m) the procedure for making a fair and reasonable adjustment to the number of Stock Based Instruments and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, or any change in control or constitution of the Company or any re-structuring of the Company including but not limited to merger, de-merger, amalgamation, reverse merger or subsidiarisation (any such merger, de-merger, amalgamation, reverse merger or subsidiarisation is referred to as “**Restructuring**”). The NRC shall seek appropriate consultation with the Board and may further seek professional assistance or otherwise engage professional consultants for such advice as may be required for this purpose;
- n) the specified time period within which the Eligible Employee shall exercise the vested Stock Based Instruments in the event of termination or resignation of such Eligible Employee;
- o) the amendment, applicability or modification of any of the abovementioned terms of this Plan in relation to any Employee or group or class of Employees; and

5.2. Notwithstanding the above, the NRC shall have the absolute discretion to determine whether Stock Based Instruments would be granted to an Eligible Employee and may decide not to grant any Stock Based Instruments for any reason whatsoever, including in the event the NRC is of the view that the Eligible Employee has not performed up to the expectations on which such Eligible Employee was appointed, or has not been regularly attending office for a substantial period of time without any valid reason or authority, or is perceived to be guilty of misconduct, or has violated the terms of employment or policies or procedures or codes, or on account of any other circumstances as the NRC may in its absolute discretion decide.

6. Post-issue equity dilution

6.1. The Company shall ensure that the aggregate allotment of Shares under this Plan, shall at all times, not exceed 5% of the Fully Diluted Share Capital of the Company.

7. Maximum number of Stock Based Instruments to be issued per Eligible Employee and in aggregate

7.1. The maximum number of Stock Based Instruments, that may be granted to identified employee/s under the Incentive Plan 2016, in any financial year shall not equal to or not exceed 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company at the time of grant.

Provided however, the total number of Stock Based Instruments to be granted under the Incentive Plan 2016 in aggregate shall at no time exceed 8,85,900 (Eight Lakhs Eighty Five Thousand Nine Hundred only). In case of:

- A. Options - Each option when exercised would be converted into 1 equity share of Rs.10/- each fully paid-up.



B. SARs - Number of shares to be issued on the exercise of SAR's shall be computed as follows:

$$\frac{\text{No. of SARs} * (\text{Market Price on the date of Exercise} - \text{Exercise Price})}{\text{Market Price on the date of Exercise}}$$

C. RSUs - Each unit when exercised would be converted into 1 equity share of Rs.10/- each fully paid-up.

D. Stock Based Instruments - In accordance with the applicable laws and regulations prevailing in India at the relevant time of grant, issue and exercise.

8. Offer Terms and Acceptance of Stock Based Instruments

8.1. Subject to the terms and conditions contained herein, the NRC / Trustees in consultation with the NRC, at any time and from time to time, make an Offer under this Plan to any Eligible Employee to exercise such number of Stock Based Instruments at a specified Exercise Price as it shall designate in the Letter of Offer.

8.2. The Eligible Employee shall communicate his acceptance (in substantially the form set out on Annexure II hereto) to the NRC within 30 days from the date of Offer, specifying the number of Stock Based Instruments he would like to accept in the manner as may be specified. The Stock Based Instruments allotted to the Eligible Employee shall vest in the manner as set out in the Letter of Offer.

8.3. If the Eligible Employee does not communicate his acceptance within 30 days from the date of Offer, the Offer shall automatically lapse.

9. Grant of Stock Based Instruments and basis of determining the number of Stock Based Instruments to be granted

9.1. The actual number of Stock Based Instruments to be granted to an Eligible Employee would be in accordance with the criteria as laid down by the NRC in this regard, at its absolute discretion; provided that the NRC, shall not Grant any Stock Based Instruments to identified employee/s in any financial year equal to or exceeding 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company without prior approval of the Members of the Company by way of a separate resolution.

Prior approval of the Members of the Company by way of a separate resolution was taken by the Company on December 23, 2016 for Grant of Stock Based Instruments to Employees of subsidiary company/ies.

9.2. The Eligible Employees shall have the option, but no obligation to exercise Options offered to him, to purchase Shares of the Company during the Exercise Period.

9.3. Any and all allocation of Stock Based Instruments to Eligible Employees by the Trust shall be preceded with an approval(s) by the NRC for such allocation.

9.4. The amount, if any, payable by the Eligible Employees, at the time of Grant of Stock Based Instruments / exercise of Stock Based Instruments:

- a) may be forfeited by the Company, if the Stock Based Instruments are not exercised by the Eligible Employees within the Exercise Period; or
- b) may be refunded to the Eligible Employees, if the Stock Based Instruments are not vested due to non-fulfilment of conditions relating to Vesting of Stock Based Instruments as per the Plan.



10. Non-transferability of Stock Based Instruments

The Stock Based Instruments granted to the Eligible Employee shall not be transferable.

11. Vesting of the Stock Based Instruments Granted

11.1. The period between the Date of Grant and Date of Vesting (“Vesting Period”) shall be determined by the NRC, provided that the Vesting Period shall not be less than 1 year.

Provided that in no event shall the period between the Date of Grant and Date of Vesting exceed 5 years from the Date of Grant or such other period as may be prescribed by NRC.

11.2. In case, Stock Based Instruments are granted by the Company under its Share Based Incentive Plan in lieu of Stock Based Instruments held by the same person under a Share Based Incentive Plan in another company, which has merged or amalgamated with the Company, the period during which the Stock Based Instruments granted by the merging or amalgamating company were held by him shall be adjusted against the minimum vesting period required under this clause.

11.3. In case of SARs, the appreciation, net of applicable taxes, shall be directly credited into the salary account of the Employee with the Company not later than 2 (Two) months after the Vesting Date.

11.4. Notwithstanding anything contained herein, the NRC, at its sole and absolute discretion shall have the right to advance or postpone any or all Vesting under this Plan either in respect of all Eligible Employees or for a group of Eligible Employees or for an individual Eligible Employee, subject to applicable laws.

12. Exercise Period, Exercise Price and Procedure

12.1. The Exercise Period in respect of the Vested Stock Based Instruments shall commence from the Date of Vesting and will expire on completion of 2 years from the Date of Vesting or within such further period as may be determined by the Board from time to time.

12.2. Notwithstanding the provisions of Clause 12.1 above, the NRC shall have the right, at its sole discretion, to determine the Exercise Period of any Stock Based Instruments for any Eligible Employee or any group or class of Eligible Employees.

12.3. Notwithstanding anything contained herein, in the event the Eligible Employee has not exercised the vested Stock Based Instruments prior to the expiry of the Exercise Period, the Stock Based Instruments shall lapse.

12.4 The exercise price shall be determined by the Board / NRC in line with SEBI Regulations and any other applicable regulations / guidelines but shall not be lower than the face value of the shares.

Suitable discount may be provided on the price as arrived above as deemed fit by the Board / NRC at its sole and absolute discretion for the finalisation of the Exercise Price.

The Board/NRC at its sole and absolute discretion may give cashless exercise of Stock Based Instruments, if required, to the Eligible Employees and shall provide necessary procedures and / or mechanism for exercising such Stock Based Instruments subject to applicable laws, rules and regulations.



12.5. The exercise of Stock Based Instruments by the Eligible Employee during the Exercise Period shall be communicated by delivering a duly completed Exercise Application (substantially in the form as set out in Annexure III) signed by such Eligible Employee to the Trustees.

12.6. The Eligible Employee exercising his Stock Based Instruments would be required under the Exercise Application to mention the number of Stock Based Instruments that he is willing to exercise under this Plan. For Exercise of Right (whether in whole or in part) by an Eligible Employee at any time during the Exercise Period, the Eligible Employee in question must execute all such documents, deeds and other writings during the Exercise Period as may be specified in this regard by the NRC.

12.7. At the time of delivery of an Exercise Application, the Eligible Employee shall be required to simultaneously pay to the Trust, the aggregate amount payable for purchase of Shares which shall comprise the applicable Exercise Price payable for Shares and any other amount required to be paid by him under the provisions of this Plan. Any transfer of Shares from the Trust to such Eligible Employee shall only take place at the end of the calendar month in which the Exercise Application was delivered by such Eligible Employee provided however that in the event an Exercise Application is delivered within the last 7 days of any calendar month, then any transfer of Shares from the Trust shall take place only at the end of the immediately following calendar month. It is clarified that the time-periods set out in this Clause for transfer of Shares to the Eligible Employee are indicative in nature and none of the Trustees, the Trust, NRC or the Company shall be liable in case the said time-periods are not met, with regard to any particular transfer of Shares.

12.8. The Eligible Employee shall comply with all statutory and regulatory requirements then applicable to the Exercise of the Right under this Plan. Once lodged, an Exercise Application shall be irrevocable save with the consent of the NRC.

12.9. The Employee should also give an undertaking, if it is requested by the Company, that the Shares have been acquired by him in accordance with the provisions contained herein.

12.10. Upon Exercise of Right, the Eligible Employee shall be entitled to receive Shares from the Trustees in the manner as contemplated under this Plan. All Shares delivered by the Trust to an Eligible Employee shall be delivered only in a dematerialized form.

12.11. The right to apply to Shares will lapse if not exercised within the specified Exercise Period.

13. Fractional Shares

In the event of Exercise of Stock Based Instruments resulting in fractional Shares, the NRC shall be entitled to round off the number of Shares to be issued to the nearest whole number.

14. Loan for purchase of shares

14.1. Loans may be extended to Eligible Employees by the Company and its Subsidiary Company(ies), as the case may be, for exercising Stock Based Instruments under this Plan, as approved by their respective boards, subject to due compliance of applicable laws. However, the Employees cannot demand loan as a matter of right.

14.1.1. Such loans shall be provided by the Company in which the Eligible Employee is employed, in accordance with the applicable laws, the conditions of service applicable to such Eligible Employee and the Remuneration Policy, if any, adopted by the respective company.



14.1.2. Granting of loan is at the discretion of the Company / Trust and the application may be rejected without assigning any reason.

14.2. Loans may be extended to the Trust by the Company and its subsidiaries for purchasing / subscribing to the Equity Shares of the Company, subject to due compliance of applicable laws.

15. Payment by Eligible Employees

15.1. The Exercise Price for Shares to be acquired upon Exercise of Stock Based Instruments by an Eligible Employee shall be paid fully by cheque / bank draft payable at Bengaluru at the time of delivery of an Exercise Application. The cheque / bank draft shall be drawn in favour of the NRC / Trust, as the case may be, and shall be duly crossed.

15.2. The Eligible Employee shall pay stamp duty (if any), other cost, charges and expenses related to transfer of Shares from the Trust to the Eligible Employee in question. Each Eligible Employee shall also pay to the Trust any amount of fringe benefit or perquisite tax that may be levied on the Company or the NRC / Trust / Trustees as a consequence of the Stock Based Instruments granted to such Eligible Employee or the Shares transferred to such Eligible Employee upon Exercise.

16. Event of death / permanent incapacity of the Eligible Employee who has been Granted Options

16.1. Notwithstanding anything contained herein, in case of the death or permanent incapacity of any Eligible Employee whilst in the service / employment or directorship of the Company / its Subsidiary Company(ies), the Stock Based Instruments granted to / vested in but not Exercised and Shares granted to / vested in but not exercised by that Eligible Employee shall vest immediately (i) in case of death, in the person(s) nominated by such Eligible Employee or if nobody is so nominated, in his legal heir or successor; and (ii) in case of permanent incapacity in the Eligible Employee himself.

16.2. In case of death of any Eligible Employee whilst in the service / employment / directorship of the Company / its Subsidiary Company(ies), the vested Stock Based Instruments shall be Exercisable by the person(s) nominated by such Eligible Employee and such Exercise shall be effected within the time stipulated in the Letter of Offer. The mode of nomination would be intimated by the Company. Such nominee shall also be bound by the provisions of this Plan.

16.3. In case of death of any Eligible Employee who has not nominated any person(s), the Stock Based Instruments granted but not vested will vest in and shall be exercisable by the legal heir(s) / successor(s) of the deceased Eligible Employee within such time as may be stipulated in the Letter of Offer. Provided however that the legal heirs / successors shall be required to produce to the Company all such documents / indemnities as may be required by the Company to prove the succession of the estate of the deceased Eligible Employee. In case proof of succession is not produced to the Company within 6 months from the date of death of the Eligible Employee or such further time as permitted by the NRC in its absolute discretion, the Stock Based Instruments shall be treated as lapsed and shall be available for grant by the NRC to any Eligible Employee(s) or other Employee(s) as it may deem fit in its sole and absolute discretion.

16.4. In case of permanent incapacity of the Eligible Employee whilst in the service / employment / directorship of the Company / its Subsidiary Company(ies), all Stock Based Instruments granted to him as on the date of permanent incapacitation, shall Vest in him on the day of the permanent incapacitation.



17. Event of termination of service of the Eligible Employee

17.1. Due to resignation or transfer of the Employee

17.1.1. In case of resignation of an Eligible Employee from the employment or directorship of the Company / its Subsidiary Company(ies), otherwise than upon retirement or transfer to another Sasken Group company, all Stock Based Instruments vested in such Eligible Employee as on the date of submission of resignation shall be exercisable by the Eligible Employee on or before his last day in the Company and all unvested Stock Based Instruments as on the date of submission of resignation shall stand cancelled with effect from that date.

17.1.2. In the event of transfer of an Eligible Employee to another Sasken Group company, or any other company which is approved by the Board, the NRC may, at its discretion, determine any terms and conditions on which unexercised Stock Based Instruments continue to be Vested in such Eligible Employee.

17.2. Due to the dismissal or discharge of the Eligible Employee

17.2.1. In case of termination of the services / directorship of the Eligible Employee, as the case may be, due to dismissal or discharge for reasons including violation of any code of conduct implemented by the Company employing the Eligible Employee in question, all Stock Based Instruments vested but unexercised as well as unvested Stock Based Instruments granted to such Eligible Employee shall, at the discretion of the NRC, immediately expire upon the Eligible Employee being so dismissed or discharged.

17.2.2. In case the NRC, at any time during the currency of this Plan, perceives that any Eligible Employee is liable for misconduct or violation of any policies or any code of conduct or terms and conditions of employment / directorship of such Eligible Employee, the NRC will have the authority (on recommendation to that effect by the management of the Company in which such Eligible Employee shall either be a director (of whatever sort) or a permanent employee to suspend exercise of Stock Based Instruments vested and unvested Stock Based Instruments granted to such Eligible Employee. The decision of the NRC as aforesaid would be final and binding on the concerned Eligible Employee, for the purpose of this Plan. However, if such Eligible Employee was not found guilty of such misconduct or violation, all the Stock Based Instruments shall be re-issued to such Eligible Employee and all the benefits shall accrue to the Eligible Employee as if the Stock Based Instruments had been granted from the original Date of Grant.

17.2.3. In the event of termination or vacation of services / directorship of the Eligible Employee due to dismissal or discharge for reasons including violation of the Company's Code of conduct, all the vested Stock Based Instruments which were not Exercised at the time of such termination or vacation of services / directorship shall stand cancelled with effect from the date of such termination and all unvested Stock Based Instruments on the date of such termination shall stand cancelled with effect from the date of such termination. The decision of the NRC as aforesaid shall be final and binding on the concerned Eligible Employee, for the purpose of this Plan.

17.2.4. Suspended Employees and Employees under enquiry:

The Stock Based Instruments not vested and the Stock Based Instruments vested but not Exercised in case of an Eligible Employee who has been suspended from the services / directorship of the Company / its Subsidiary Company(ies) or to whom a show cause notice has been issued or against whom an enquiry is being or has been initiated for any reason whatsoever including but not limited to misconduct, violation of policies or codes of conduct or for having committed or abetted any illegal or unlawful activity may, on the recommendation of the management of the Company where such Eligible Employee is a director (of whatever sort) or an employee



(as the case may be), be suspended or kept in abeyance or cancelled at the sole discretion of the NRC. In case of Stock Based Instruments that have been suspended or kept in abeyance, the same may Vest in the concerned Eligible Employee on such additional terms and conditions, as may be imposed by the NRC at its sole and absolute discretion.

17.2.5. Further, in certain extraordinary circumstances where any Eligible Employee has committed any act or omission which in the sole discretion and opinion of the NRC amounts to an act of moral turpitude and / or has resulted into loss of confidence, the management of the company where such Eligible Employee shall be a director (of whatever sort) or shall be an employee, as the case may be, will be entitled to recommend the cancellation of the Stock Based Instruments unvested and the Stock Based Instruments vested but not exercised with respect to such Eligible Employee to the NRC who shall be entitled to thereupon cancel such Stock Based Instruments. It is further clarified for the purpose of this Clause that the right of recommendation and deciding whether such an act or omission has occurred and whether any cancellation is to be given effect to, will be at the sole discretion of the NRC (on recommendation of the management) without necessitating and / or undertaking any enquiry or investigation with respect to such matter.

17.3. Due to retirement of the Employee

17.3.1. All Stock Based Instruments whether unvested (the vesting of which is only and wholly conditional upon efflux of time, and not on the achievement of business or functional results) or vested but not Exercised by the Eligible Employee as on the date of his retirement in the normal course, can be exercised by the Eligible Employee, within the Exercise Period specified under Clause 11 above, unless the NRC decides otherwise.

17.3.2. For the purpose of this Clause, retirement in normal course would mean attaining such age as may be specified for retirement by the Company / its Subsidiary Company(ies) for a Director or an Employee (as may be applicable) or on expiry of any extension of service allowed by the Company / its Subsidiary Company(ies) thereafter, pursuant to any Regulations or Guidelines adopted by the Company / its Subsidiary Company(ies) for a Director or an Employee (as may be applicable).

17.3.3. In case of termination of the services of the Eligible Employee due to his retirement pursuant to a Plan of voluntary retirement as may be formulated by the Company / Subsidiary Company(ies) the terms relating to Right of Exercise shall be separately framed by the NRC, as and when required.

18. Accounting Policies

The Company shall comply with the accounting policies, regulations / guidelines as may be applicable from time to time.

19. Other conditions

19.1. Subject to approval of the Stock Exchanges, the relevant equity shares on exercise of options / RSUs / other Stock Based Instruments shall be listed on the Stock Exchanges on which the Shares of the Company are listed.

19.2. Upon listing of the shares on a Stock Exchange, any options / RSUs / other Stock Based Instruments to be granted after the shares are listed on a Stock Exchange, shall be governed by the SEBI SBEB Regulations. Upon such listing, the NRC shall have the right to amend any / all terms governing and applicable to shares and / or Stock Based Instruments already granted under the Plan, if required, under the SEBI SBEB Regulations.



19.3. In the event of the Company issuing any Shares / other benefits (other than the dividends declared and / or paid) to the existing members at any time after the date of the Offer to the Eligible Employees or in case of other corporate actions like rights issues, bonus issues, or the like, the NRC, at its sole and absolute discretion, will have the right to adjust the number of Stock Based Instruments and / or alter the Exercise Price in respect of the Stock Based Instruments which are not Exercised to ensure that similar benefits accrue to the Eligible Employees to whom the Stock Based Instruments are granted.

For example, in case of bonus issue, whereby bonus shares have been issued in the ratio of 1:1 to the members holding Shares, if the Stock Based Instruments have been granted but have not vested prior to such bonus issue, such Eligible Employees shall be entitled to be transferred upon Exercise by the Trustees, one (1) additional share that shall have accrued, for each Share, had such Eligible Employee Exercised the Stock Based Instruments granted. However, if the Stock Based Instruments have Vested but have not been Exercised by the Eligible Employee prior to such bonus issue, such Eligible Employee shall be entitled to purchase Shares at half (1/2) of the Fair Market Value of the Shares as on the Date of Grant upon Exercise of the Stock Based Instruments granted.

19.4. Tax Liability:

19.4.1. The liability of paying tax including perquisite tax, if any, on the Stock Based Instruments granted pursuant to this Plan and the Shares transferred pursuant to Exercise of Stock Based Instruments shall be entirely on the Eligible Employees who shall have received such Stock Based Instruments and the Shares in question and shall be in accordance with the provisions of the Income-Tax Act, 1961 and the rules framed thereunder or any other taxing statute. In the event of any amendments or modifications to the provisions of the Income-tax Act, 1961 (including any re-enactment thereof) and / or the rules framed thereunder, as existing on the date of this Plan, the NRC shall have the power to amend or modify this Plan, without seeking consent of the Eligible Employees in order to ensure that the Company or the Trust is in the same position as it would have been had the amendments or modifications to the Income Tax Act, 1961 and / or the rules framed thereunder not been made.

19.4.2. In the event of any tax liability arising on account of the issue or allotment or transfer of the Shares to an Eligible Employee, the liability shall be that of the Eligible Employee alone. Accordingly, if any tax is payable by the Company or the Trust, the same shall be paid by the Eligible Employee to the Company or the Trust. Any amounts received towards such tax payment by the Trust or the Company, as the case may be, shall be immediately passed on to the entity required to make the tax payment in question.

19.4.3. All tax liabilities arising on the sale of the Shares by the Employee would require to be handled by the Employee alone.

19.4.4. In the event of any tax liability arising on account of this Plan, the Company shall have the right to deduct / recover the same from the Employee in any manner as the Company may deem fit.

20. Lapsed Shares

In case any Stock Based Instruments issued to Eligible Employees are not exercised by the respective Eligible Employees during the Exercise Period, then such Stock Based Instruments shall (unless otherwise determined by the NRC / Trustee(s) in consultation with the NRC) irrevocably lapse, will be reverted to the Pool and the same may be granted afresh by the NRC to such Eligible Employee(s) or other Employees, either under this Plan or otherwise, as the NRC may deem fit in its sole and absolute discretion.



Further, Shares if any, in respect of which Stock Based Instruments have lapsed under this Plan, shall be available for grant, to the Eligible Employees or other Employees, either under this Plan or otherwise, at the sole and absolute discretion of the NRC / Trustees in consultation with the NRC, as the case may be. The terms, *inter alia*, relating to Exercise Price, Exercise Period etc. in respect of such lapsed Shares to be granted, as aforesaid, will be determined by the NRC at the time of grant as it may deem fit at its sole and absolute discretion.

21. Rights prior to issuance of Shares

Neither the Eligible Employee nor any person claiming under or through the Eligible Employee will have any of the rights or privileges of a Member of the Company (including the right to receive any dividends or to vote at any meeting of the Company) in respect of any Shares to be issued upon Exercise of the Stock Based Instruments unless and until certificates representing such Shares have been issued and delivered or, if the Shares may be held in dematerialised form, unless appropriate entries evidencing such transfer is made in the register of Members of the Company / Statement of Beneficial Position maintained by the Depositories. No adjustment shall be made for dividends or other rights with respect to such Shares for which the record date is prior to the date on which the certificate is issued or the Shares are transferred electronically.

22. Ranking of shares

The Shares issued to an Eligible Employee under this Plan would rank *pari-passu* with the existing Shares of the Company save and except that such Shares shall carry the right to receive dividend from the date of allotment / transfer, as may be determined by the Board, declared for the financial year in which the new Shares are allotted / transferred.

23. Compliance with Regulatory Provisions

23.1. This Plan shall be subject to all applicable laws, rules, regulations, notifications and to such approvals by Members and any governmental agencies as may be required in law. The grant of the Shares under this Plan shall entitle the Company to require the Employees to comply with such requirements of law in force from time to time.

23.2. Anything to the contrary herein notwithstanding, the Company's obligation to sell and deliver Shares under this Plan is subject to such compliance with laws, rules and regulations applying to the authorisation, issuance or sales of securities, as the Company deems necessary or advisable.

24. Effective date and duration

24.1. This Plan came into force on December 23, 2016, being the date on which this Plan was approved by the Members.

24.2. The Plan shall remain in effect until (i) all the shares transferred to the Trust under the Plan have been acquired by the Eligible Employees; or (ii) on expiry of period of 10 (ten) years from the effective date of this Plan; or (iii) the date on which the Board terminates this Plan, whichever is earlier.

24.3. In the event the Board is desirous of terminating the Plan, all Stock Based Instruments granted to the Eligible Employees but not vested shall automatically vest on the Eligible Employees and the Eligible Employee shall have 6 (six) months to Exercise such Stock Based Instruments.



25. Confidentiality

25.1. This Plan is private and confidential and is meant exclusively for the Eligible Employees. Any Employee holding Shares under this Plan shall not divulge details of this Plan to any other person without the prior written permission of the Trustees / NRC.

25.2. Every Eligible Employee who have been granted Stock Based Instruments under this Plan shall enter into such agreements, as the NRC may decide from time to time or perform such further acts and execute such further documents as may be necessary to carry out and give full effect to the provisions of this Plan and the intentions of the parties.

25.3. The Board shall, *inter alia*, disclose in the Board's Report, such disclosures as may be required under the Act and others applicable laws and such other details as the Directors may deem fit to disclose.

The Employees shall not have any right to object to such disclosure by the Company.

25.4. In case of non-adherence to the provisions of this Clause, the NRC will have the authority to deal with such cases as it may deem fit at its sole and absolute discretion.

26. Restructuring of the Company

Upon the occurrence of any Restructuring, the NRC in consultation with the Board shall be entitled to issue instructions to all Eligible Employees with respect to the holding of unexercised Stock Based Instruments (whether such Stock Based Instruments are Vested or not) by such Eligible Employees or Shares received pursuant to any exercise of any Stock Based Instruments and such instructions shall be binding on all Eligible Employees.

27. No Right to an Award

Neither the adoption of this Plan nor any action of the NRC / Trust shall be deemed to give an Employee any right to be granted Stock Based Instruments to acquire Shares or to any other rights except as may be evidenced by the Letter of Offer.

28. No Rights Conferred

28.1. Nothing contained in this Plan shall:

(i) confer upon any Employee any right with respect to continuation of employment or engagement with the Company;

(ii) interfere in any way with the right of the Company to terminate employment or services of any Employee at any time; or

(iii) shall be construed as affording an individual any additional rights as to remuneration or damages in consequence of the termination of the office or employment in the Company for any reason.

28.2. This Plan shall be at the discretion of the NRC / Trustees in consultation with the NRC and shall not confer on any person any legal or equitable rights against the Company, directly or indirectly, or give rise to any cause of action in law or equity against the Company.



28.3. This Plan and the offer made herein are personal to the Eligible Employees and shall not be capable of assignment.

29. Risks associated with the Plan

Participation in this Plan shall not be construed as guarantee or assurance of any return on the equity investment in the Shares. Any loss due to the fluctuation in the market and the risks attached with the investment are that of the Eligible Employees alone and neither the Company nor the Trust, the NRC (or its members) or the Trustees shall be responsible for the same.

30. No Restriction on Corporate Action

The existence of this Plan and the grants made hereunder shall not in any way affect the right or the power of the Board or the Members of the Company to make or authorise any change in capital structure; including any issue of shares, debt or other securities having any priority or preference with respect to the Shares or the rights thereof or from taking any corporate action which is deemed to be appropriate or in its best interest, whether or not such action would have an adverse effect on this Plan or any grant made under this Plan. No Employee or other person shall have any claim against the Company as a result of such action or a right to object to the Plan.

31. Insider Trading

The holder of Stock Based Instruments shall ensure that there is no violation of the Company's Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders.

32. New Plans

Nothing contained in this Plan shall be construed to prevent the Company directly or through any trust settled by any company, from implementing any other new Plan for granting Stock Based Instruments, which is deemed by the Company to be appropriate or in its best interest, whether or not such other action would have any adverse impact on this Plan or any Grant made under this Plan. No Employee or other person shall have any claim against the Company and / or Trust as a result of such action.

33. Severability

In the event that any term, condition or provision of this Plan is held to be a violation of or contrary to, any applicable laws, statute or regulation, the same shall be severable from the rest of this Plan and shall be of no force and effect and this Plan shall remain in full force and effect as if such term, condition or provision had not originally been contained in this Plan.

34. Amendment

This Plan may be changed after the date it comes into effect. However, no change to the Plan shall be detrimental to the interests of the Eligible Employees. The Board may vary the terms of the Plan provided such variation is not prejudicial to the interest of the Eligible Employees / Members of the Company. Notwithstanding the forgoing, the NRC shall be entitled to exercise the powers granted to it under the provisions of Clause 5 above. The Board shall also be entitled to exercise the powers granted to it under the Plan.



In the event Shares of the Company are listed on a recognized Stock Exchange, this Plan shall be amended to bring the same in compliance with the SEBI SBEB Regulations and accordingly, any Stock Based Instruments Granted but which have not been Exercised or which are to be Granted after the listing of the Shares on a Stock Exchange, shall be governed by the SEBI SBEB Regulations.

35. Approval of Plan

This Plan was initially approved by the Board at its Meeting held on October 27, 2016 and approved by the Members on December 23, 2016. This Plan has been and can be amended by the Board and NRC, from time to time, subject to compliance with applicable laws.

36. Arbitration

All disputes arising out of or in connection with this Plan shall be exclusively and irrevocably referred to for arbitration to a single arbitrator to be appointed by the Company. The arbitration proceedings shall be in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The place of Arbitration shall be Bengaluru, India. The Parties agree to have their dispute resolved by fast track procedure specified in Section 29B of the Arbitration and Conciliation Act, 1996.

37. Governing Laws and Jurisdiction

The terms and conditions of this Plan shall be governed by and construed in accordance with the laws of India and subject to the provisions of Clause 36 above, to the exclusive jurisdiction of Courts in Bengaluru, India.

38. Statement of Risks

Investments in Stock Based Instruments are subject to risk as the value of shares may go up or down. In addition, the Stock Based Instruments are subject to the following additional risks:

1. **Concentration:** The risk arising out of any fall in value of shares is aggravated if the employee's holding is concentrated in the shares of a single company.
2. **Leverage:** Any change in the value of the share can lead to a significant larger change in the value of the Stock Based Instruments.
3. **Illiquidity:** The Stock Based Instruments cannot be transferred to anybody, and therefore the Eligible Employees cannot mitigate their risks by selling the whole or part of their benefits before they are exercised.
4. **Vesting:** The Stock Based Instruments will lapse if the employment is terminated prior to vesting. Even after the Stock Based Instruments are vested, the unexercised Stock Based Instruments may be forfeited if the Eligible Employee is terminated for gross misconduct.

CERTIFIED TRUE COPY

For SASKEN TECHNOLOGIES LTD.


Company Secretary



Format of Letter of Offer
On the letterhead of the Trust
Strictly Private & Confidential

Date [●]

Reference No. [●] / Employee No. [●]

Dear Mr./Ms. [●],

Sub: Letter of Offer

Terms used herein but not defined shall have the meaning contained in the Sasken Employees' Share Based Incentive Plan 2016.

Sasken Communication Technologies Limited ("Company") is a leader in providing Engineering R&D and Productized IT services to global tier 1 customers in the Communications & Devices, Retail, Insurance and Independent Software space.

Members of the Company had approved the "Sasken Employees' Share Based Incentive Plan 2016" and authorized the Nomination and Remuneration Committee ("NRC") to issue options / SARs / RSUs / other Stock Based Instruments, in any combination, (read together as "Stock Based Instruments") either directly / through Sasken Employee Welfare Trust ("Trust") to Eligible Employees and Directors of the Company and its Subsidiary Company(ies) (as defined under the Plan) in accordance with the provisions of the Plan.

A copy of the Plan is uploaded on the intranet of the Company for your perusal. Please go through the same in detail.

In accordance with the provisions of this Plan, the amount of Tax, in the nature of perquisite tax or any similar tax, if any, payable by the Company or the Trust in respect of Stock Based Instruments granted pursuant to this Plan, shall be paid by the holder to the entity required to make payment of the applicable amount in tax at the time of exercise of Stock Based Instruments. The number of Stock Based Instruments granted to each Eligible Employee has been determined in accordance with the criteria approved by the NRC.

I am pleased to inform you that you have been granted:

- [●] options representing [●] Shares with an exercise price of Rs. [●]/- per Share as on *[insert Date of Grant]*.
- [●] Equity Settled SARs representing [●] Shares with a base price of Rs. [●]/- per Share as on *[insert Date of Grant]*.
- [●] Cash Settled SARs with a base price of Rs. [●]/-
- [●] RSUs representing [●] Shares with an exercise price of Rs. [●]/- per Share as on *[insert Date of Grant]*.
- [●] *[insert name of the Stock Based Instrument]* RSUs representing [●] Shares with an exercise price of Rs. [●]/- per Share as on *[insert Date of Grant]*.

The Stock Based Instruments granted to you will be subject to the terms and conditions stipulated in the Plan.

[Details of proposal to be mentioned]



I am confident that this will inspire all of us to take our Company to greater heights of success and glory in the future. It may please be noted that participation in this Plan shall not be construed as a guarantee or assurance of any return on the equity investment in the Shares. Any loss due to the fluctuation in the market price of the Shares and the risks attached with the investment are yours alone and neither the Company nor the Trust, the NRC (or its members) or the Trustees shall be responsible for the same.

The financial information pertaining to the Company is available on the Company's website at <http://www.sasken.com/investors>.

Regards,



Format of letter of acceptance
Strictly Private & Confidential

Date:

To
The Members of the Nomination & Remuneration Committee, Sasken Communication Technologies Limited /
The Trustees of Sasken Employees Welfare Trust

Sub: Letter of Acceptance

Terms used herein but not defined shall have the meaning contained in the Sasken Employees' Share Based Incentive Plan 2016.

I refer to the Letter of Offer dated [●] issued by [●] / the Board / NRC / Trust to me under which I have been granted

[●] Options at [●] Rs. per Option; and / or

[●] Equity Settled SARs at [●] Rs. per Equity Settled SAR; and / or

[●] Cash Settled SARs at [●] Rs. per Cash Settled SAR; and / or

[●] RSUs at [●] Rs. per RSU; and / or

[●] [*insert name of the Stock Based Instrument*] at [●] Rs. per [*insert name of the Stock Based Instrument*].

I am delighted to inform you, that I accept the Offer contained in the Letter of Offer. I confirm that I have read and understood the terms and conditions of the Plan and that I agree to abide by the same. I further agree that the Date of Acceptance for the purpose of the options / SARs / RSUs / other Stock Based Instruments granted to me pursuant to the Letter of Offer shall be the date of receipt of this letter by you.

I confirm that I have read and understood the Plan and shall abide by all conditions set out therein.

I hereby agree that any decision(s) or direction(s) issued by the Nomination and Remuneration Committee of Sasken Communication Technologies Limited with regard to any aspect of the Plan shall be final and binding on me and I hereby undertake to act in strict consonance with any such decision(s) or direction(s), as the case may be.

Yours faithfully,



Format of Exercise Application
Strictly Private & Confidential

Date:

To
The Members of the Nomination & Remuneration Committee, Sasken Communication Technologies Limited /
The Trustees of Sasken Employees Welfare Trust

Dear Sirs,

Terms used herein but not defined shall have the meaning contained in the Incentive Plan 2016.

I refer to the Letter of Offer dated [Month DD, YYYY] issued by the Trust to myself under which I was informed that I had been granted options / SARs / RSUs / other Stock Based Instruments (*strike whichever is not applicable*). I also refer to the Letter of Acceptance dated _____ addressed by me to you. Copies of the abovementioned letters are enclosed for your ready reference.

I am delighted to inform the Nomination & Remuneration Committee / Trust, that I am duly exercising:

- [●] Options representing [●] Shares; and / or
- [●] Equity Settled SARs representing [●] Shares; and / or
- [●] Cash Settled SARs at a base price of Rs. [●] per SAR; and / or
- [●] RSUs representing [●] Shares; and / or
- [●] [insert name of the Stock Based Instrument] representing [●] Shares.

which have vested in me pursuant to the provisions of the Plan. The Exercise Price that I am required to pay for the [●] Shares I am to receive pursuant to the exercise of options / SARs / RSUs / other Stock Based Instruments is an aggregate of Rs. [●]/- (Rs. [●]/- per Share) as mentioned in my Letter of Offer. In this regard, please find enclosed, demand draft / cheque bearing no. [●] for Rs. [●]/- drawn on [●] in favour of the Company / Trust. The amount of Rs _____ is by cheque arranged by way of loan from [●] Limited.

In addition to the above, I confirm that I have read and understood all terms and conditions of the Plan and shall abide by all conditions set out therein at all times.

Yours faithfully,

