



CTEL ESOP Scheme 2011

S. No	Particulars	Remarks
1	Effective Date	24 th January, 2011
2	Authorized Capital	300,000,000
3	Issued Capital	196,310,150
2	CTEL ESOP Scheme 2011	Attached
3	Shareholders Resolutions	24 th January, 2011
4	Class of Employees who are entitled to participate in the Scheme	As decided by the Compensation Committee.
5	Pricing formula on the basis of which shares would be allotted.	The Exercise Price shall mean the latest available closing price, prior to the date of the meeting of the Committee, in which options are granted, on the stock exchange on which the shares of the
6	The number of shares, which would be issued to any employee or classes of employees and basis of such Grant, if any.	As decided by the Compensation Committee
7	The period by and the manner in which the approval of shareholders would be obtained.	Obtained shareholders approval through postal ballot process pursuant to Section 192A of the Companies Act,
8	Vesting period of options from the date of Grant of Option.	Minimum of one year and a maximum of 5 years from the date of Grant.
9	The conditions relating to restriction on non transferability of such shares/ Options.	As per CTEL ESOP Scheme 2011.
10	Date of amendment of the Scheme	
11	Date of AGM Notice & AGM approving the Scheme	

Cambridge Technology Enterprises Ltd
Unit No. 04-03, Level 4, Block 1, Cyber Pearl,
Hitec – City, Madhapur, Hyderabad - 500081, INDIA

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1. NAME, OBJECTIVE AND TERM OF THE PLAN

This Scheme shall be called the "**CTEL ESOP Scheme 2011**".

The objective of the CTEL ESOP Scheme 2011 is to provide an incentive to attract, retain and reward Employees performing services for the Company and by motivating such Employees to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to attract and retain talent in the organization. The Company views employee stock options as instruments that would enable the Employees to share the value they create for the Company in the years to come. The Company has structured **CTEL ESOP Scheme 2011** for granting Stock Options to its employees under the said Scheme.

The CTEL ESOP Scheme 2011 is established with effect from the date of shareholder's approval and shall continue to be in force until:

- (i) its termination by the Board in accordance with applicable laws or
- (ii) the date on which all of the options available for issuance under the CTEL ESOP Scheme 2011 have been granted.

The Board of Directors may subject to compliance with applicable Laws, at any time, alter, amend, subject to the approval of the members of the Company, and suspend or terminate the CTEL ESOP Scheme 2011.

2. DEFINITIONS AND INTERPRETATIONS

Definitions

- I. "**Applicable Law**" means every law relating to Employee Stock Options, including, without limitation to, the Companies Act, 2013, and all relevant tax, securities, exchange control or corporate laws of India.
- II. "**Board**" means the Board of Directors of the Company.
- III. "**Companies Act**" means The Companies Act, 2013 and includes any statutory modifications or re-enactments thereof.
- IV. "**Committee**" means the ESOP Committee/Compensation Committee/Nomination & Remuneration Committee formed by the Board of Directors to administer and supervise this scheme, consisting of such members as may be required under applicable law(s)

from time to time.

- V. **"Company"** means Cambridge Technology Enterprises Limited or any of the Company's subsidiaries.
- VI. **"Director"** means a member of the Board of the Company.
- VII. **"Eligibility Criteria"** means the criteria as may be determined from time to time by the Committee for granting the Employee Stock Options to the Employees.
- VIII. **"Employee"** means
- a. a permanent employee of the Company working in India or out of India; or
 - b. a Director, whether a whole time director or not but excluding an Independent Director
 - c. Nominee Director, provided the contract/agreement entered into between the nominating institution and the Director so appointed, specifically provides for acceptance of Employee Stock Options of the Company by such Director and a copy thereof is filed with the Company; or
 - d. permanent employee of the Company's subsidiary working in India or out of India, or of a holding company of the company or of an associate company but excludes, an employee who is a promoter or belongs to the Promoter Group; a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company.
 - e. Such other persons, as may from time to time, be allowed under prevailing laws and regulations and as may be approved by the board/committee for this purpose.
- IX. **"Employee Stock Option" or "Option"** means the option granted to an Employee, which gives such Employee the right to purchase or subscribe at a future date the shares underlying the Option at a pre-determined price.
- X. **"Exercise"** of an Option means expression of an intention by an Employee to the Company to purchase the Shares underlying the Options vested in him / her, in pursuance of the CTEL ESOP Scheme 2011, in accordance with the procedure laid down by the Company for Exercise of Options.
- XI. **"Exercise Period"** means such time period after vesting within which the Employee

should Exercise the Options vested in him in pursuance of the CTEL ESOP Scheme 2011.

- XII. "**Exercise Price**" means the price payable by an Employee in order to exercise the Option granted to him, in pursuance of the CTEL ESOP Scheme 2011.
- XIII. "**Grant**" means issue of Options to the Employees under the CTEL ESOP Scheme 2011.
- XIV. "**Market Price**" means the latest available closing price, prior to the date of the meeting of the Committee, in which options are granted, on the stock exchange on which the shares of the company are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date shall be considered.
- XV. "**Option Grantee**" means an Employee having a right but not an obligation to Exercise an Employee Stock Option in pursuance of the CTEL ESOP Scheme 2011.
- XVI. "**Permanent Incapacity**" means any disability of whatsoever nature be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Board or the Committee based on a certificate of a medical expert identified by such Committee.
- XVII. "**Promoter**" shall have the same meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 as amended from time to time.
- XVIII. "**Promoter Group**"
(a) shall have 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;
- XIX. "**Recognised Stock Exchange**" means the Bombay Stock Exchange, National Stock Exchange or any other Stock Exchange in India on which the Company's Shares are listed or are to be listed.
- XX. "**Retirement**" means retirement as per the rules of the Company.
- XXI. "**Scheme /CTEL ESOP Scheme 2011**" means this Employee Stock Option Scheme 2011, under which the Company is authorized to Grant Employee Stock Options to the

Employees.

- XXII. "**SEBI Regulations**" means the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, issued by the Securities Exchange Board of India under the Securities Exchange Board of India Act, 1992 and shall include any alterations, amendments, additions, deletions, modifications or variations thereof from time to time.
- XXIII. "**Shares**" means equity shares and securities convertible into equity shares and shall include American Depository Receipts (ADRs), Global Depository Receipts (GDRs) or other depository receipts representing underlying equity shares or securities convertible into equity shares.
- XXIV. "**Subsidiary company**" means any present or future subsidiary company of the Company, as defined under the Companies Act, 2013 .
- XXV. "Trust" shall mean "Cambridge Technology Enterprises Trust", a trust set – up by the Company for implementing the CTEL ESOP Scheme 2011 for the benefit of the employees of the Company.
- XXVI. "**Vesting**" means a process by which the Option Grantee obtains a right to apply for Shares of the Company against the Employee Stock Options granted to him in pursuance of the CTEL ESOP Scheme 2011.
- XXVII. "**Vesting Period**" means the period during which the vesting of the Employee Stock Option granted to the Employee, in pursuance of the CTEL ESOP Scheme 2011 takes place.
- XXVIII. "**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.
- XXIX. "**Unvested Option**" means an Option in respect of which the relevant Vesting Conditions have not been satisfied and as such, the Option Grantee has not become eligible to Exercise the Option.

INTERPRETATION

In this Scheme, unless the contrary intention appears:

- a) the clause headings are for ease of reference only and shall not be relevant to

- 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.

3. AUTHORITY AND CEILING

- a. In accordance with the powers conferred by the shareholders in pursuance of the Postal Ballot result declared on 24th January, 2011 and the Board of Directors in its meeting held on 10th December, 2010 has resolved to issue to Employees under CTEL ESOP Scheme 2011, 1,045,000 Employee Stock Options, with each such Option conferring a right upon the Employee to apply for one equity share of Rs.10/- each of the Company, in accordance with the terms and conditions of such Scheme.
- b. Where Shares are issued consequent upon Exercise of an Employee Stock Option under the CTEL ESOP Scheme 2011, the upper limit on the number of Shares referred to in Clause a above will stand reduced to the extent of such Shares issued.
- c. In case of a share-split or consolidation or any corporate action, if the revised face value of the equity shares is less or more (as the case may be) then the current face value as prevailing on the date of adoption of this Scheme by the Board, the maximum number of shares available for being granted under CTEL ESOP Scheme 2011 as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (No. of shares x Face value per share) prior to such share split or consolidation or corporate action remains unchanged after such share split or consolidation or corporate action. 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 CTEL ESOP Scheme 2011 would be twice the maximum number of shares specified in the Scheme.
- d. In case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division and others, if any additional Equity Shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of 1,045,000 Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

4. ADMINISTRATION

- a. The CTEL ESOP Scheme 2011 shall be administered by the Committee or the Board of the Company and it shall be implemented through trust. All questions of interpretation of the

CTEL ESOP Scheme 2011 or any Employee Stock Option shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the CTEL ESOP Scheme 2011 or such Employee Stock Option.

- b. The Committee shall in accordance with this Scheme and Applicable Laws determine the detailed terms and conditions of the Employee Stock Options, including but not limited to:
- (i) The quantum of Employee Stock Options to be granted under the CTEL ESOP Scheme 2011 per Employee and in aggregate;
 - (ii) The Schedule for Vesting of Employee Stock Options;
 - (iii) The conditions under which the Employee Stock Option vested in Employees may lapse in case of termination of employment for misconduct or breach of Rules of the Company, at any time.
 - (iv) The conditions under which the options may vest in employees.
 - (v) The procedure for making a fair and reasonable adjustment to the number of Employee Stock Options and to the Exercise Price in case of a corporate action(s) such as rights issues, bonus issues, merger, sale of division and others. In this regard the following shall be taken into consideration by the Committee:
 - 1) the number and / or the price of the Employee Stock Options shall be adjusted in a manner such that the cumulative face value (No. of shares multiplied by the Face value per share) to the employee of the options under CTEL ESOP Scheme 2011 remains the same before and after such corporate action(s); and
 - 2) for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered;
 - 3) the Vesting Period and the life of the Employee Stock Options shall be left unaltered as far as possible to protect the rights of the Option Grantee:
 - (v) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period.
 - (vi) The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee.
 - (vii) The right of an employee to exercise all the options, as the case may be, vested in him at one time or at various points of time within the exercise period.
 - (viii) The procedure and terms for the Grant, Vesting and Exercise of Employee Stock Option in case of Employees who are on long leave under the Rules of the Company;
 - (ix) The procedure for cashless exercise of Employee Stock Options.
 - (ix) Such other things as the SEBI Regulations may prescribe from time to time.

5. FUNCTIONS OF THE COMMITTEE

The Committee shall:

- a. Approve forms, writings and/or agreements for use in pursuance of the CTEL ESOP Scheme 2011;
- b. Frame suitable policies and systems to ensure that there is no violation of (i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and (ii) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995, by any Employee;
- c. Frame any other byelaws, rules or procedures as it may deem fit for proper and smooth administering of the CTEL ESOP Scheme 2011.

6. ELIGIBILITY AND APPLICABILITY

- a. Only Employees [as defined under the head “Definitions”, Clause 2(VIII)] are eligible for being granted Employee Stock Options under CTEL ESOP Scheme 2011. The specific Employees to whom the options would be granted and their eligibility criteria would be determined by the Committee from time to time and shall be subject to variations, additions, alterations, deletions as the Committee may deem fit, which is not detrimental to the Employee.
- b. Unless otherwise provided by the Committee, at the time the Employee Stock Options are granted, the Employee Stock Options granted to an Employee shall be subject to the terms and conditions set forth in this Scheme and as approved by the Committee from time to time.
- c. Grant of Employee Stock Options shall be evidenced by the Employee Stock Option Letter of Grant in such form, as the Committee shall from time to time determine. Such Letter of Grant shall be deemed to incorporate all of the terms of the CTEL ESOP Scheme 2011, as if the same were set out therein.
- d. In determining the Eligible Employee to receive an Option as well as in determining the number of Options to be granted to an Employee, the Committee may consider the position and responsibilities of the Eligible Employee, the nature and value of his services to the Company and accomplishments whether directly or indirectly, tenure, scale, performance, merit, expertise brought to the Company, present and potential contribution and conduct of the Employee and such other factors as the Committee may deem relevant.
- e. An Employee who is a promoter or belongs to the Promoter Group shall not be eligible to participate in this Scheme
- f. A Director who either by 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 shall not be eligible to participate in this Scheme.

7. GRANT OF OPTIONS

a. The Committee may offer the Options to an Employee in accordance with the terms and conditions of the Scheme for the time being in force. Letters of Grant shall be accompanied by a Disclosure Statement containing inter alia, statement of risks, information about the Company and salient features of the Scheme.

b. Each Option will entitle the Eligible Employee to one Equity Share of the Company. The maximum number of the Equity shares that may be issued pursuant to the Grant of the Options to each Employee under this scheme shall be determined by the Committee. Further, the face value of the aggregate shares to be allotted to the non- resident Employees shall not exceed the limit provided in Foreign Exchange Management Act, 1999 (FEMA) and Regulations under FEMA as amended from time to time.

c. The maximum number of Options that can be granted per Employee/Director during any one year shall not exceed 1% of the issued capital (excluding warrants and conversions) at the time of Grant of Options except with the express approval of the shareholders and in aggregate shall not exceed 5% of the paid up equity capital of the company.

d. The Grant of the Options by the Committee to the Employee shall be communicated to him in writing. Such a Grant shall state the number of Options granted, conditions under which Option is vested, the Exercise Price, Exercise Period and the Closing Date of exercising the Grant and such other information as the members of Committee may from time to time decide.

e. No amount is payable at the time of grant of options by the Grantee.

f. The Closing date of accepting the offer of grant shall not be more than 60 (Sixty) days from the Grant Date. Acceptance of offer shall be in such form as the letter of grant specifies or as the Committee may prescribe.

8. VESTING SCHEDULE AND CONDITIONS

1. The Vesting Period shall commence after twelve months from the date of Grant of the Option.
2. The maximum period within which the Options to be vested shall be 5 years from the date of Grant.
3. Provided that in case where Options are granted by the Company under CTE ESOP Scheme

2011 in another company which has merged or amalgamated with the first mentioned company, the period during which the Options granted by the Transferor company were held by him shall be adjusted against the minimum vesting period required under this clause

4. The Committee shall have the freedom to specify the lock in period for the shares issued pursuant to Exercise of Options.
5. The Employee shall not have right to receive dividend, or to vote in any manner, or enjoy the benefits of a shareholder in respect of Option granted to him, till shares are issued on Exercise of Option.
6. Vesting of Options would be subject to Employee's continued employment with the Company and thus the Options would vest on passage of time. In addition to this, the Committee may also specify certain performance parameters subject to which the Options would vest. The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document given to the Employee at the time of Grant of Options.
7. Furthermore, the Committee is empowered to amend or modify such parameters at its sole discretion from time to time taking into account all relevant factors, including but not limited to the market conditions then prevailing; the business environment; Rupee-Dollar exchange rate; impact of acquisitions and consolidation, if any. The decision of the Committee with regard to the terms under which Options would Vest shall be final and binding on the employee.

9. EXERCISE

- a. The options will be exercised by the employee by a written application to exercise the options in such manner, and on execution of such documents as may be prescribed by the Committee / Board from time to time.
- b. The options will be exercised by the employee only when the Company receives Exercise Price along with the above mentioned application.
- c. The Exercise Price shall mean the latest available closing price, prior to the date of the meeting of the Committee, in which options are granted, on the stock exchange on which the shares of the company are listed less discount as may be decided by the Committee, subject to maximum discount of 20%. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date shall be considered. Subject to the condition that the exercise price will not be less than the face value of the share under any circumstances.
Payment of the Exercise Price shall be made by a crossed cheque, subject to realization or a Demand Draft or in such other manner as the Committee may decide.
- d. The Employee Stock Options granted shall be capable of being exercised immediately on vesting upto five years from the date of vesting. The Employee can Exercise the Vested Options at any time during the exercise period, subject to continuance of his employment

with the Company except the circumstances as stated in this clause.

- e. In case the Employee terminates his employment with the company by tendering resignation, all the Options vested in him as on the date of resignation shall be exercised within 90 (ninety) days from the date of resignation.
- f. In case the Employee suffers a permanent incapacity while in employment, all the option(s) granted to him as on the date of permanent incapacitation, shall continue to Vest in his name from that day.
- g. In the event of the death of Employee while in employment, all the Option granted to him till such date shall Vest in the name of legal heirs or nominees of the deceased Employee. All the vested options shall be permitted to be exercised within one year from the date of death of such employee.
- h. In the event of abandonment of employment by an Option Grantee without the Company's consent, all Employee Stock Options granted to such Employee, including the Vested Options, which were not exercised at the time of abandonment of employment, shall stand lapsed with immediate effect. The Committee, at its sole discretion shall decide the date of abandonment by an Employee and such decision shall be binding on all concerned.
- i. In the event of termination of the employment of an Option Grantee due to breach of policies of the Company or the terms of employment, all Employee Stock Options granted to such Employee, including the Vested Options which were not exercised at the time of such breach shall stand lapsed with effect from the date of such breach. The date of such breach shall be determined by the Committee, and its decision on this issue shall be binding and final on all concerned.
- j. In the event of termination of the employment of an Option Grantee due to misconduct, all Employee Stock Options granted to such Employee, including the Vested Options which were not exercised at the time of such misconduct shall stand lapsed with effect from the date of such misconduct. The date of such misconduct shall be determined by the Committee, and its decision on this issue shall be binding and final on all concerned.
- k. Long leave of an Option Grantee up to three months shall not have any effect on the CTTEL ESOP Scheme 2011 as applicable to him/her. However for long leave of such person beyond three months, 50% of the unvested options which they are eligible to receive shall lapse. . The exercise period of Option Grantee who are on long leave shall be as per the original exercise period as per the scheme or six months from the date of joining of duty whichever is later. Granting of the options to the employees is absolute discretion of the Committee subject to the conditions contained in this scheme.
- l. The above restrictions mentioned in clause 9(k) shall not apply for the period of statutory leaves availed by such employees for maternity under the applicable laws. However in case the exercise period of such employees as per the scheme ends during the such statutory leave

period, then such employees can exercise the same within six months from the date of joining the duties after such statutory leave.

- m. The options granted to a Director, who is an Employee of an institution and has been nominated by the said institution, shall not be renounced in favour of the institution nominating him.
- n. The shares arising out of Exercise of Vested Option(s) would not be subject to any further lock-in period after such Exercise.
- o. If the Exercise of Options within the Exercise Period, is prevented by any law or regulation in force; defer or not to permit the Exercise of Options till such time as it is prohibited by the applicable laws or regulations and in such an event the Company shall not be liable to pay any compensation or similar payment to the Employee for any loss suffered due to such prohibition.

Provided further, that the Board shall have the power to cancel all or any of the Options awarded under the CTEL ESOP Scheme 2011, if so required, under any law for the time being in force or the order of any jurisdictional court. In the event of any such cancellation, no compensation shall be payable to the Optionee for such cancelled Options.

- o. An Employee can exercise vested options at one time or various points of time within the exercise period.

10. OTHER TERMS AND CONDITIONS

- a. Nothing herein is intended to or shall give the Option Grantee any right, obligation, or status of any kind as a shareholder of the Company in respect of any Shares covered by the Grant, unless, the Option Grantee duly Exercises the Employee Stock Option and becomes a registered holder of the Shares of the Company.
- b. 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 an Option Grantee. Only if the Employee Stock Options are vested and duly exercised and the Option Grantee is a valid holder of the shares of the Company, the Option Grantee would be entitled for bonus or rights shares as registered member of the Company.
- c. Employee Stock Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case the Options can be transmitted to the Option Grantee's duly lodged nominee.
- d. Under the cashless system of Exercise if adopted by the Company, the Company may itself fund or permit the empanelled stockbrokers to fund the payment of Exercise Price, which shall be adjusted against the sale proceeds of some or all the shares, subject to the provisions of the Companies Act, 2013.

- e. No person other than the Employee to whom the Employee Stock Option is granted shall be entitled to Exercise the Employee Stock Option except in the event of death of the Option Grantee, in which case the options can be exercised by the Option Grantee's nominee.
- f. The Employee Stock Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- g. In the event, there is dilution of equity pursuant to any corporate restructuring / merger / acquisition, the Committee shall be empowered to make pro-rata adjustment in the entitlement of Options.
- h. The approved Scheme shall be applicable uniformly in all respects as are applicable to employees of the Company whether located in India or abroad and the Board shall exercise such final jurisdiction for interpretation, adjudication, resolution of queries of the all the employees of the company.
- i. Transfer or movement of Option Grantee from the Company to the Subsidiary or Associate Companies or resignation of Option Grantee from the Company and joining of such Option Grantee in the Subsidiary or Associate Company shall not have any effect on the CTEL ESOP Scheme 2011 as applicable to him/her. The terms and conditions of CTEL ESOP Scheme 2011 shall be applicable to such participant as if he is an employee of the Company itself.
- j. The Company reserves the right to carry forward the lapsed, unexercised and forfeited options to a new scheme.

11. TAX LIABILITIES

The Company shall be entitled to fully recover from the Employees who have exercised any Stock Options(s) under the scheme, any tax imposed or to be imposed or levied or to be levied on the Company from time to time by the Union Government or State Governments with respect to the Grant / Vesting / Exercise of such options.

All tax liabilities arising on Exercise of the Options shall be borne by the Option Grantee(s).

12. AUTHORITY TO VARY TERMS

- a. The Board may, if it deems necessary, vary the terms of CTEL ESOP Scheme 2011, at any time, subject to approval of shareholders and the applicable laws in force.
- b. The company shall be entitled to vary the terms of the schemes to meet any regulatory requirements.

13. Power to surrender options

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

14. Lapsed/ Surrendered/Cancelled/Forfeited Options

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

15. Winding up

In case of winding up of the CTEL ESOP Scheme 2011, if being implemented by a company through trust, the excess monies or shares remaining with the trust after meeting all the obligations, if any, shall be utilized for repayment of loan or by way of distribution to employees as recommended by the committee.

16. MISCELLANEOUS

a. Government Regulations

This CTEL ESOP Scheme 2011 shall be subject to all Applicable Laws, and approvals from governmental authorities. The Grant and the allotment of shares under this CTEL ESOP Scheme 2011 shall also be subject to the Company requiring Employees to comply with all applicable Laws.

- i. The inability of the Company to obtain authority from any regulatory body having jurisdiction, 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.
- ii. The Grant of an Employee Stock Option does not form part of the Option Grantee's entitlement to Compensation or benefits pursuant to his contract of employment nor does the existence of a contract of employment between any person of the Company, give such person any right entitlement or expectation to have an Employee Stock Option granted to him in respect of any number of shares or any expectation that an Employee Stock Option might be granted to him whether subject to any condition or at all.
- iii. Neither the existence of this Scheme nor the fact that an individual has on any occasion been granted an Employee Stock Option shall give such individual any

right entitlement or expectation that he has or will in future have any such right entitlement or expectation to participate in this Scheme by being granted an Employee Stock Option on any other occasion.

- iv. The rights granted to an Option Grantee upon the Grant of an Employee Stock Option shall not afford the 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 of the group for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).
- v. 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 Employee Stock Option in whole or in part 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).

b. Notices

All notices of communication required to be given by the Company to an Option Grantee by virtue of this CTEL ESOP Scheme 2011 shall be in writing and shall be sent to the address of the Option Grantee available in the records of the Company and any communication to be given by an Option Grantee to the Company in respect of CTEL ESOP Scheme 2011 shall be sent to the address mentioned below:

Company Secretary
Cambridge Technology Enterprises Ltd
11th Floor, Block-D, iLabs Center
Software Units Layout, Madhapur
Hyderabad - 500081, INDIA
investors@ctekl.com
Phone: 040 – 40234400

c. Governing Law and Jurisdiction

- i. The terms and conditions of the CTEL ESOP Scheme 2011 shall be governed by and construed in accordance with the laws of India.
- ii. The Courts of Hyderabad, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this CTEL ESOP Scheme 2011.
- iii. Nothing in this Clause will however limit the right of the Company to bring proceedings against any Employee in connection with this CTEL ESOP Scheme

2011:

- a. 13.a.i. In any other court of competent jurisdiction; or
- b. 13.a.ii. Concurrently in more than one jurisdiction.

d. Income Tax Rules

The applicable Income Tax Laws and Rules as in force will be applicable.