

LTIMindtree Employees Stock Option Plan 2021

LTIMindtree Limited



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1. Name, Objective and Term of the Plan

- 1.1 This employee stock option Plan shall be called the 'LTIMindtree Employees Stock Option Plan 2021' ("**ESOP 2021**" / "**Plan**").
- 1.2 The objective of the Plan is to reward key talents of the Company and its Subsidiaries for their performance and motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Plan to attract and retain talent working with the Company and its Subsidiaries.
- 1.3 The Plan is being established with effect from (Date of approval via Postal Ballot), on which the shareholders of the Company have approved the Plan by way of a special resolution, and it shall continue to be in force until (i) as required by or subject to the Applicable Laws, its termination by the Company ; (ii) cancellation of this Plan by the Company or (iii) the date on which all of the Options available for issuance under the Plan have been granted and exercised, whichever is earlier.

2. Definitions and Interpretation

2.1 Definitions

- i. "**Applicable Law**" means the legal requirements relating to Employee Stock Options, including without limitation to the Companies Act and the rules framed, notifications, circular issued thereunder, Securities and Exchange Board of India Act 1992, SEBI SBEB Regulations and includes any statutory modifications or re-enactments thereof and all relevant tax, securities, exchange control or corporate laws of India, or of any relevant jurisdiction or of any Stock Exchange on which the Shares are listed or quoted .
- ii. "**Board**" means the board of directors of the Company.
- iii. "**Committee**" means the nomination and remuneration committee constituted by the Board from time to time, to administer and supervise the Plan and other employee benefit plan/plans, if any, comprising of such members of the Board as provided under Section 178 of the Companies Act to act compensation committee under Regulation 5 of the SEBI SBEB Regulations.
- iv. "**Companies Act**" means the Companies Act, 2013 and includes any statutory modifications or re-enactments thereof.
- v. "**Company**" means "LTIMindtree Limited", a company registered in India under the provisions of the Companies Act, 1956 with corporate identification number L72900MH 1996PLC104693 and having its registered office at L&T House, Ballard Estate, Mumbai - 400 001, as the context may require for the purposes of this Plan.
- vi. "**Company Policies/Terms of Employment**" means the Company's Policies for Employees and the Terms of Employment as contained in the employment letter policies, and/or the company handbook, which includes provisions requiring a desired level of performance, securing confidentiality, noncompete and non-poaching of other employees and customers. Policies/ Terms of Employment of Subsidiary company, as regards an Option Grantee on the payrolls of such Subsidiary company, shall be deemed to be "Company Policies/Terms of Employment" for such Option Grantee.
- vii. "**Director**" means a member of the Board.

- viii. **“Eligibility Criteria”** means the criteria as may be determined from time to time by the Committee for granting the Options to the Employees.
- ix. **“Employee”** means (i) a permanent employee of the Company working in India or out of India; or (ii) a Director of the Company, whether a whole-time director or not but excluding an Independent Director; or (iii) an employee, as defined in sub-clauses (i) or (ii) above, of the Subsidiary company, whether present or future, in India or out of India, but excludes:
- a. an employee who is a Promoter or belongs to the Promoter Group; or
 - b. 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 Shares of the Company.
- x. **“Employee Stock Option”** means the Option granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the Shares of the Company underlying the Option at a pre-determined price.
- xi. **“ESOP 2021”** means this ‘LTIMindtree Limited Employees Stock Option Plan 2021’ under which the Company is authorized to Grant Options to the Employees.
- xii. **“Exercise”** of an Option means expression of an intention by an Employee to the Trust to purchase the Shares underlying the Options vested in him, in pursuance of the Plan, in accordance with the procedure laid down for exercise of the Options.
- xiii. **“Exercise Period”** means such time period after Vesting within which the Employee should Exercise the Options vested in him in pursuance of the Plan.
- xiv. **“Exercise Price”** means the price determined by the Committee as per provisions of this Plan and specified in the Grant Letter, being payable by an Employee in order to Exercise the Options vested in him in pursuance of the Plan.
- xv. **“Grant”** means issue of Options to the Employees under the Plan.
- xvi. **“Grant Date”** means the date of the meeting or date of approval of circular resolution of the Committee in which Grant of Options to the Employees is approved.
- xvii. **“Grant Letter”** means the formal communication as regards Grant made by the Company to the eligible Employee containing specific details of the Grant.
- xviii. **“Holding Company”** means any present or future holding company of the Company, determined as per provisions of Section 2(46) of the Companies Act.
- xix. **“Independent Director”** means a Director within the meaning of Section 149(6) of the Companies Act read with Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- xx. **“Market Price”** means the latest available closing price of Shares on the Recognized Stock Exchange on which the Shares of the Company are listed on the date immediately prior to the applicable Relevant Date.

Explanation- If such Shares are listed on more than one Recognized Stock Exchanges, then the closing price on such stock exchange having higher trading volume shall be considered as the Market Price.

- xxi. **“Misconduct”** means any of the following acts or omissions by an Employee in addition to any provisions prescribed in the offer or terms of employment amounting to violation or breach of terms of employment as determined by the Trust after giving the Employee and opportunity of being heard:

- a. committing of any act warranting summary termination under law; or
- b. conduct which in the reasonable opinion of the Employee Trust amounts to a serious breach by an Option Grantee of the obligation of trust and confidence to his employer/or customer of the Company; or
- c. a finding by the Committee that an Employee has committed any breach of any of the terms or conditions of Employee service agreement including its policies such as Code of Conduct, any willful neglect of or refusal to carry out any of his duties or to comply with any instruction given to him by the Committee; or
- d. being convicted of any criminal offence; or
- e. being disqualified from holding office in the Company or any other company under any legislation or being disqualified or disbarred from membership of, or being subject to any serious disciplinary action by, any regulatory body within the industry, which undermines the confidence of the Employee Trust in the individual’s continued employment; or
- f. having acted or attempted to act in any way which in the opinion of the Employee Trust has brought or could bring the Company or any other group member into disrepute or discredit;
- g. breach or violation of any Company Policies/ Terms of Employment; and
- h. Any other act not included above but defined as misconduct in the Company’s rules or Employee handbook and / or employment agreement and/or appointment letter or is in the reasonable opinion of the Committee a violation.

- xxii. **“Option”** means Employee Stock Option within the meaning of this Plan.

- xxiii. **“Option Grantee”** means an Employee who has been granted an Option in pursuance of the Plan and having a right but not an obligation to Exercise the Options and shall deem to include nominee/ legal heir of such Option Grantee in case of death of Option Grantee to the extent provisions of the Plan is applicable.

- xxiv. **“Permanent Incapacity”** means any disability of whatsoever nature, physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Committee based on a certificate of a medical expert identified by the Company.
- xxv. **“Promoter”** means the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
- xxvi. **“Promoter Group”** means the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
- Provided that** where the Promoter or Promoter Group of the Company is a body corporate, the promoters of that body corporate shall also be deemed to be Promoters of the Company.
- xxvii. **“Relevant Date”** means any of the following dates as the context requires:
- (i) in the case of Grant, the date of the meeting of the Committee 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 Option Grantee.
- xxviii. **“Recognized Stock Exchange”** means the National Stock Exchange of India Limited, BSE Limited or any other recognized stock exchange(s) in India on which the Shares are listed.
- xxix. **“Retirement”** means retirement as per the rules of the Company and its Subsidiaries.
- xxx. **“Plan** means ESOP 2021 within the meaning of this Plan.
- xxxi. **“SEBI SBEB Regulations”** means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended and includes all regulations and clarifications issued thereunder.
- xxxii. **“Shares”** means equity shares of the Company of face value of Re.1/- (Rupee One) each fully paid up and includes equity shares arising out of the Exercise of Options granted under the Plan.
- xxxiii. **“Subsidiary company/Subsidiaries”** means any present or future subsidiary company of the Company, as defined in the Companies Act.
- xxxiv. **“Trust”** means ‘LTIMintree Employees Welfare Trust’, formed by the Company for the benefit of the Employees and which may from time to time administer the Plan and hold cash, purchase/hold/sell/transfer Shares or other securities of the Company for the purposes of the Plan.
- xxxv. **“Trustee”** shall mean the person/ entity appointed as a trustee under the trust deed of the Trust to manage the affairs of the Trust.
- xxxvi. **“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.

- xxxvii. **“Vesting”** means earning by the Option Grantee, of the right to apply for Shares of the Company against the Options granted to him in pursuance of the Plan.
- xxxviii. **“Vesting Condition”** means the condition prescribed, if any, subject to satisfaction of which the Options granted would vest in an Option Grantee.
- xxxix. **“Vesting Period”** means the period during which the Vesting of the Option granted to the Employee, in pursuance of the Plan takes place.
- xl. **“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.

2.2 Interpretation

In this Plan, unless the contrary intention appears:

- a) the clause headings are for ease of reference only and shall not be relevant 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) Use of the terms include(s) or including, or similar expressions, will be read without limitation;
- f) A reference to a law, regulation, or any other Applicable Law, is a reference to it as amended, extended or replaced from time to time;
- g) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.

3. Authority and Ceiling

- 3.1 The members of the Company vide special resolution dated May 22, 2021 have authorized the Committee to Grant not exceeding 20,00,000 (Twenty Lakhs) Options to the eligible Employees from time to time, in one or more tranches, exercisable into not more than equal number of Shares, with each such Option conferring a right upon the Employees to apply for one Share of the Company to be transferred by the Trust upon Exercise thereof, in accordance with the terms and conditions as may be determined by the Committee in accordance with the provisions of the Plan and Applicable Laws.
- 3.2 The Trust shall acquire the aforesaid Shares from the Company which shall be used by the Trust for transferring the same to the Option Grantee at the time of Exercise of their Vested Options and upon payment of the Exercise Price together with the applicable taxes, in due compliance with the Applicable Laws.
- 3.3 If an Option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options pool as mentioned in Sub-clause 3.1 and shall become available for future Grants, subject to compliance with all Applicable Laws.

- 3.4 Where Shares are transferred consequent upon Exercise of an Option under the Plan, the maximum number of Shares that can be transferred under the Plan as referred to in Sub-clause 3.1 above shall stand reduced to the extent of such Shares transferred.
- 3.5 In case of a Share-split where the face value of the shares is reduced below Rs. 10, the maximum number of Shares available for being granted under ESOP shall stand modified accordingly, so as to ensure that the paid-up value (No. of shares X face value per Share) of the total Shares that can be transferred remains unchanged. Thus, for instance, if the face value of each share is reduced to Re. 1, the total number of Shares available for transfer under ESOP would be 2,00,00,000 (Two Crore) Shares of Re.1 each.
- 3.6 In case of a consolidation where the face value of the Shares is increased above Rs.10/- , the maximum number of Shares available for being granted under the Plan shall stand modified accordingly, so as to ensure that the cumulative face value (No. of Shares X Face value per Share) prior to such consolidation remains unchanged after the Share consolidation. Thus, for instance, if the face value of each Share is increased to Rs. 20, the total number of Shares available for transfer under ESOP would be 10,00,000 (Ten Lakhs) Shares of Rs. 20 each.
- 3.7 The maximum number of Options granted per Employee will not exceed 2,50,000 (Two Lakh Fifty Thousand) Options under this Plan.
- 3.8 Prior approval of shareholders of the Company shall be obtained by way of special resolution in case the Grant of Options to any identified Employee shall be equal to or exceeding 1% (One percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Options.

4. Supervision and Administration of ESOP

4.1 Supervision

- a) The Plan shall be supervised by the Committee. All the functions relating to superintendence of this Plan shall stand possessed and be discharged by the Committee. All questions of interpretation of this Plan shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in this Plan.
- b) The Committee shall meet as required for the purposes of Plan.
- c) The Committee shall, in accordance with this Plan and Applicable Laws, *inter alia*, determine the following:
- (i) The quantum of Options to be granted under the Plan per Employee and in aggregate under the said Plan, subject to the ceiling as specified in Para 3.1;
 - (ii) The Exercise Period within which the Employee can Exercise the Options and that Options would lapse on failure to Exercise the same within the Exercise Period;
 - (iii) The specified time period within which the Employee shall Exercise the Vested Options in the event of termination or resignation of an Employee;
 - (iv) the terms and conditions subject to which the Options granted would vest in the Option Grantee;
 - (v) the date of Vesting of the Options granted;

- (vi) The right of an Employee to Exercise an Option vested in him at one time or at various points of time within the Exercise Period;
- (vii) The Eligibility Criteria to avail benefits under the Plan, the procedure and terms for the Grant, Vest and Exercise of Options, in case of Employees who are on long leave;
- (viii) The procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of Options and to the Exercise Price in case of corporate action such as rights issues, bonus issues, merger, stock split/consolidation, sale of division and others. In this regard, the following shall, inter alia, be taken into consideration:
 - (a) The number and price of Options shall be adjusted in a manner such that total value of the Options remains the same after the corporate action; and
 - (b) The Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Employee(s) who is granted such Options.
- (ix) mode of payment of the Exercise Price (cheque, demand draft, deduction from salary, or any other mode);
- (x) The procedure for cashless Exercise of Options, if required;
- (xi) Approve forms, writings and/or agreements for use in pursuance of the Plan;
- (xii) The conditions under which Options will vest in Employees and will lapse if the employment is terminated for Misconduct. Even after the Options are vested, the unexercised options may be forfeited, if the employment is terminated for gross Misconduct;
- (xiii) Any matter relating to the Trust and aspects of administration of Plan by the Trust; and
- (xiv) frame suitable policies and procedures to ensure that there is no violation of the securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating To Securities Market) Regulations, 2003 or any statutory modification or re-enactment of these regulations by the Company, Subsidiary Company(ies) or any of the Employees, as applicable.

4.2 Administration

- (a) The Plan shall be administered by the Trust to the extent aspects of such administration are delegated by the Committee as per requirements of the Applicable Laws.
- (b) The Trust shall be governed subject to following terms and conditions:

i. It shall not deal in derivatives and shall undertake only such transactions as permitted under the deed of Trust read with the provisions of the Applicable Laws;

ii. The Trustees appointed or re-appointed from time to time shall be such persons as being not disqualified as prescribed under the Applicable Laws; and

iii. The Trustees shall not vote in respect of the Shares held by the Trust.

(c) The Trustees while administering Plan shall abide by the provisions contained therein, terms of the Grant, Vesting and Exercise as decided by the Committee and shall ensure compliance of the provisions of the Applicable Laws at all times in connection with dealing with the Shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed.

5. Eligibility and Applicability

5.1 Only Employees are eligible for being granted Options under the Plan. The specific Employees to whom the Options would be granted, and their Eligibility Criteria would be determined by the Committee at its discretion from time to time.

5.2 The Plan shall be applicable to the Company and its Subsidiary companies and may be granted to the Employees of the Company or its Subsidiary companies, as determined by the Committee on its own discretion.

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

6. Grant and Acceptance of Options

6.1 Grant of Options

(a) Grants contemplated under the Plan shall be made on such day and month as decided by the Committee at its discretion.

(b) Each Grant of Option under the Plan shall be made in writing by the Company to the eligible Employees by way of Grant Letter containing specific details of the allocation, and disclosure requirements, as prescribed under Applicable Laws.

6.2 Acceptance of the Grant

(a) Any eligible Employee who wishes to accept the Grant made under this Plan must deliver to the Company a duly signed acceptance of the Grant on or before the date (“**Closing Date**”) which shall not be more than 30 (thirty) days from the date of the Grant as specified in the Grant Letter.

(b) Each Grant of Option under the Plan shall be made in writing by the Company to the eligible Employees by way of Grant Letter containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Laws.

- 6.3 Any eligible Employee, who fails to deliver the signed acceptance of the letter of Grant on or before the Closing Date stated above, shall be deemed to have rejected the Grant unless the Trust determines otherwise.

7. Vesting Schedule / Conditions

- 7.1 The Options would vest not earlier than the minimum Vesting Period of **1 (One) year** and not later than a maximum Vesting Period of **4 (Four) years** from the date of Grant of Options as decided by the Committee at the time of Grant of Options which may vary from Employee to Employee or any class thereof subject to the minimum and maximum Vesting Period as aforesaid.

Provided that in case where Options are granted by the Company or the Trust under the Plan in lieu of Options held by a person under a similar Plan in another company (“Transferor Company”) which has merged or amalgamated with the Company, the period during which the Options granted by the Transferor Company were held by him may be adjusted against the minimum Vesting Period required under this Sub-clause.

- 7.2 Vesting of Options would be subject to continued employment with the Company or its Subsidiaries company thus the Options would vest essentially on passage of time and shall be subject to Section 7.4. In addition to this, the Committee may also specify certain performance based Vesting Conditions on the achievement of which the granted Options would vest.

- 7.3 The specific Vesting schedule, detailed terms and conditions relating to performance based Vesting and the proportion in which Options granted would vest would be outlined in the Grant Letter given to the Option Grantee at the time of Grant of Options.

- 7.4 As a prerequisite for a valid vesting, an Option Grantee is required to be in employment or service of the Company or its Subsidiaries of the Company on the date of Vesting and must neither be serving his notice for termination of employment/ service, nor be subject to any disciplinary proceedings pending against him on the such date of Vesting. In case of any disciplinary proceedings against any Option Grantee, the relevant Vesting shall be kept in abeyance until disposal of the proceedings and such Vesting shall be determined accordingly.

7.5 Vesting of Options in case of Employees on long leave

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

8. Exercise

8.1 Exercise Price

- (a) The Committee shall have the power to decide the Exercise Price. The Exercise Price per Option shall not be lesser than the face value of the Share of the Company and shall not be higher than the prevailing Market Price of the Share as on the date of Grant.
- (b) Payment of the Exercise Price per Share transferred shall be made by a crossed cheque or a demand draft drawn in favour of the Trust or by electronic mode through banking channels such as National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), Immediate Payment Service (IMPS) or in such other manner as the Trust may decide.

8.2 Exercise Period

(a) Exercise while in employment:

The Exercise Period would commence from the date of Vesting and will expire on completion of maximum Exercise Period of **6 (Six) years** from the date of Vesting of Options or such other period as may be determined by the Committee at its sole discretion from time to time but within the aforesaid maximum period.

(b) Exercise period in case of separations from employment/ service:

Vested Options can be exercised subject to treatment of Unvested Options, as per provisions outlined herein below:

Separations	Vested Options	Unvested options
Resignation/Termination (other than due to Misconduct)	All the Vested Options as on date of submission of resignation or termination shall be exercised by the Option Grantee within 90 (Ninety) days from the last working day in the Company or its Subsidiary companies , as the case may be.	All Unvested Options on the date of submission of resignation/ date of termination shall stand cancelled with effect from that date.
Retirement (as per Company Policy)	All the Vested Options as on date of Retirement shall be exercised by the Option Grantee within 3 (Three) years from the last working day in the Company or its Subsidiary companies, as the case may be.	All the Unvested Options as on the date of retirement shall be deemed to vest immediately and to be exercised as per provisions applicable for Vested Options.
Death	All Vested Options may be exercised by the deceased Option Grantee's nominee or legal heir(s) immediately	All the Unvested Options as on the date of death shall be deemed to vest immediately and to be exercised as per

Separations	Vested Options	Unvested options
	after, but in no event later than 3 (Three) years from the date of death.	provisions applicable for Vested Options.
Permanent Incapacity	All Vested Options as on the date of incurring such incapacity may be exercised by the Option Grantee immediately after, but in no event later than 3 (Three) years from the date of incurring of such incapacity.	All the Unvested Options as on the date of incurring such incapacity shall be deemed to vest immediately and to be exercised by the Option Grantee as per provisions applicable for Vested Options.
Termination due to Misconduct	All the Vested Options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination.	All Unvested Options as on the date of such termination shall stand cancelled with effect from the termination date.
Transfer / deputation from/to the Company, or any of Subsidiary companies or to the Holding Company of the Company	Exercise period to remain same as per the terms of the Grant. In case of subsequent separation, if any, from the Company, or any of Subsidiary companies, or the Holding Company of the Company, treatment of Vested Options shall be as per applicable circumstance mentioned in this table.	Vesting schedule and Exercise Period to remain same as per the terms of the Grant. In case of subsequent separation, if any, from the Company, or any of Subsidiary companies, the Holding Company of the Company, treatment of Unvested Options shall be as mentioned in this table.
Any other event not specified above	The Committee at its sole discretion subject to Applicable Laws would decide the treatment of the Vested Options and such decision shall be final and binding.	All Unvested Options on the date of such termination shall stand cancelled unless otherwise required by Applicable Laws.

8.3 Any or all Options may be exercised within the prescribed Exercise Period. The Options shall be deemed to have been exercised when an Option Grantee makes an application in writing to the Trust or by any other means as decided by the Trust, for the transfer of Shares against the Options vested in him, subject to payment of Exercise Price upon Exercise of Options respectively and recovery of applicable taxes and compliance of other requisite conditions of Exercise under the ESOP.

8.4 **Lapse of Options**

The Options not exercised within the respective Exercise Periods prescribed in Sub-clauses of Clause 8 shall lapse and be deemed to cancelled on expiry of such Exercise Period. The Option Grantee shall have no right or recourse over such lapsed/ cancelled Options.

9. Right to prescribe for cashless Exercise of Options

- 9.1 Notwithstanding anything contained in the foregoing provisions relating to Exercise of Options, the Committee is entitled to specify such procedures and mechanisms for the purpose of implementing the cashless exercise of Options as may be necessary and the same shall be binding on all the Option Grantees.
- 9.2 The procedure prescribed by the Committee, may inter alia require the Option Grantees to authorize any person including the Trust nominated by the Company to deal with the Shares arising out of exercise on behalf of the Option Grantees till the realization of sales proceeds of Shares.

10. Other Terms and Conditions

- 10.1 The Employee shall not have a right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of Options granted, till Shares underlying such Options are transferred on Exercise of such Option.
- 10.2 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Company in respect of any Shares covered by the Grant unless the Option Grantee exercises the Options and becomes a registered holder of the Shares of the Company.
- 10.3 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, except that the entitlement to the number of Options or the Exercise Price or both will be adjusted in terms of Sub-clause 4.1(c)(viii) of the Plan.
- 10.4 Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case clause 8.2(b) would apply.
- 10.5 No person other than the Employee to whom the Option is granted shall be entitled to Exercise the Option except in the event of the death of the Option Grantee holder, in which case clause 8.2(b) would apply.
- 10.6 The Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

11. Lock In

The Shares arising out of Exercise of Vested Options would not be subject to any lock-in period after such Exercise.

Provided that the Shares allotted on such Exercise cannot be sold for such further period or intermittently as required under the terms of Code of Conduct for Prevention of Insider Trading of the Company framed under Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

12. Exit route in case of de-listing

If the Company gets de-listed from all the recognized Stock Exchanges, then the Committee shall have the powers to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance of the Applicable Laws.

13. Deduction of Tax

- 13.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this Plan and the Shares transferred pursuant to Exercise thereof shall be entirely on Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder and/or Income Tax Laws of respective countries as applicable to eligible Employees of Company working abroad, if any.
- 13.2 The Company (including Subsidiary companies) or Trust shall have the right to deduct from the Employee's salary, any of the employee's tax obligations arising in connection with the Option or the Shares acquired upon the Exercise thereof. The Company or the Trust shall have no obligation to deliver Shares in pursuance of the agreement until the said tax deduction obligations, if any, have been satisfied by the Option Grantee. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.

14. Authority to vary terms

- 14.1 Subject to the compliance of the Applicable Law and by taking consent of the members of the Company by passing special resolution, the Committee can vary the terms of this Plan for the purpose of efficient implementation and administration of the Plan. Such modification shall not be detrimental to the interest of the Option Grantees.
- 14.2 The special resolution for the variation should disclose the details of the variation, the rationale therefore and details of the Employees who are beneficiary of the same.
- 14.3 The Committee may also re-price the Options which are not exercised, whether or not they have vested, if the Plan is rendered unattractive due to fall in the price of the Shares.
- 14.4 Any changes in the Applicable Law affecting the Plan shall be deemed to be incorporated in the Plan without requiring any approval of the shareholders and or the Board (including Committee) of the Company.

15. Miscellaneous

15.1 Government Regulations

This Plan shall be subject to all Applicable Laws, and approvals from governmental authorities. The Grant and the transfer of Shares under this Plan shall also be subject to the Company requiring Employees to comply with all Applicable Laws.

15.2 Inability to obtain authority.

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

- 15.3 The Grant of an 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 Option granted to him in respect of any number of Shares or any expectation that an Option might be granted to him whether subject to any condition or at all.
- 15.4 Neither the existence of this Plan nor the fact that an individual has on any occasion been granted an 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 Plan by being granted an Option on any other occasion.
- 15.5 The rights granted to an Option Grantee upon the Grant of an Option shall not afford 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 or any of Subsidiary companies for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).
- 15.6 The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to Exercise an Option in whole or in part in consequence of the loss or termination of his office or employment with the Company or any of Subsidiary companies for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).
- 15.7 **General Risks**
Participation in the Plan shall not be construed as any guarantee of return on the equity investment. Any loss due to fluctuations in the price of the equity and the risks associated with the investments is that of the Option Grantee alone.

16. Accounting Policy

The Company shall follow the IND AS 102 on Share-based payments and/ or any relevant accounting standards as may be prescribed by the Institute of Chartered Accountants of India or any other appropriate authority, from time to time, including the disclosure requirements prescribed therein, in compliance with relevant provisions of SEBI SBEB Regulations.

17. Certificate from Auditors and Disclosures

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

18. Governing Laws

- 18.1 The terms and conditions of the Plan shall be governed by and construed in accordance with the Applicable Laws including the Foreign Exchange Laws mentioned below.
- 18.2 **Foreign Exchange Laws**

In case any Options are granted to any Employee being resident outside India belonging to the Company and its Subsidiaries, working outside India, the provisions of the Foreign Exchange Management Act, 1999 and rules or regulations made thereunder as

amended and enacted from time to time shall be applicable and the Company has to comply with such requirements as prescribed from time to time in connection with Grant, Vest, Exercise of Options, and transfer of Shares thereof.

19. Notices

All notices of communication required to be given by the Company to an Option Grantee by virtue of this Plan shall be in writing and shall be sent to the address of 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 this Plan shall be sent to the address mentioned below:

Chief Financial Officer

LTIMindtree Limited,

Address: L&T House, Ballard Estate, Mumbai - 400 001

E-mail: esop.corporate@ltimindtree.com

20. Nomination

The Employee has to nominate a person as his/her nominee. The nominee in case of death or legal incapacity of Employee shall be the legal representative recognized by the Company as the inheritor of the Employee in respect of all rights and liabilities for the purposes of this Plan.

21. Jurisdiction

- 21.1 The Courts of Bengaluru, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this Plan.
- 21.2 Nothing in this clause will however limit the right of the Company to bring proceedings against any employee in connection with this Plan:
- (i) in any other court of competent jurisdiction; or
 - (ii) concurrently in more than one jurisdiction.

22. Listing of the Shares

Subject to receipt of necessary approvals in this regard, the Shares issued and allotted on Exercise of the Options shall be listed on the Recognized Stock Exchange(s) on which the Shares of the Company are listed or proposed to be additionally listed.

23. Severability

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

24. Confidentiality

- 24.1 An Option Grantee must keep the details of the Plan and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, co-employees or with any employee and/ or associate of the Company or that of its affiliates and Subsidiaries. In case Option Grantee is found in breach of this confidentiality clause, the Company has undisputed right to terminate any agreement and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality clause shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this clause, the Committee shall have the authority to deal with such cases as it may deem fit.
- 24.2 On acceptance of the Grant of Options offered by the Company, it shall be deemed that as if the Option Grantee has authorized the Company to disclose information relating to the Option Grantee during the process of implementation of the Plan or while availing any consulting or advisory services thereof or any other incidental services to its officers, professional advisors, agents and consultants on a need-to-know basis.

-----End of Document-----
