

Centum Electronics Limited  
Restricted Stock Unit Plan 2021

**Restricted Stock Unit Plan  
2021**

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**1. Name, Objective and Term of the Plan**

- 1.1 This Plan shall be called the ‘Centum Electronics Limited - Restricted Stock Unit Plan 2021’ (“RSU 2021” or “Plan”).
- 1.2 The objectives of the RSU 2021 are to reward the key Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company views RSUs as instruments that enable the Employees to get a share in the value they create for the Company.
- 1.3 The RSU 2021 is established with effect from October 5, 2021, on which the Shareholders of the Company have approved the RSU 2021 by way of a special resolution and shall continue to be in force until;
- (i) its termination by the Company Board or Nomination and Remuneration Committee as per provisions of Applicable Laws, or (ii) the date on which all of the RSUs available for Grant under the RSU 2021 have been exercised and issued.

**2. Definitions and Interpretation**

**2.1 Definitions**

- i. **“Applicable Law”** means every law relating to equity-based compensation plan, including, without limitation to, the Companies Act, 2013 and rules thereof and includes any statutory modifications or re-enactments thereof, Securities and Exchange Board of India Act, 1992, the SEBI SBEBSE Regulations and all relevant tax, securities, exchange control or corporate laws of India or 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. **“Control”** shall have the same meaning as defined under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- iv. **“Companies Act”** means the Companies Act, 2013 and includes any statutory modifications or re-enactments thereof.
- v. **“Company”** means Centum Electronics Limited, a company incorporated under the provisions of the Companies Act, 1956 and having Corporate Identification Number L85110KA1993PLC013869 and its registered office at 44, KHB Industrial Area, Yelahanka New Town, Bangalore - 560 106 Karnataka.
- vi. **“Company Policies/Terms of Employment”** means the Company’s policies for Employees and the terms of employment as contained in the employment letter

## Centum Electronics Limited

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and the Company handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete, and non-poaching of other employees and customers. Policies/Terms of Employment of the 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 of the Company.
- viii. **"Eligibility Criteria"** means the criteria as may be determined from time to time by the Nomination and Remuneration Committee for granting RSUs to the Employees.
- ix. **"Employee"** means (i) an employee of the Company working in India or outside India; or (ii) a Director of the Company, whether whole-time or not, including a non-executive director who is not a Promoter or member of the Promoter Group, but excluding an independent director; or (iii) an employee, as defined in sub-clauses (i) or (ii) in this Para, of a Subsidiary Company, but excludes-
  - 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 through anybody corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company;

**Provided that** employees of Subsidiary Company shall be granted RSUs under the Plan after obtaining prior approval of the shareholders of the Company by way of a separate resolution in accordance with Regulation 6(3) of the SEBI SBEBSE Regulations.

- x. **"Exercise"** of an RSU means expression of an intention by an Employee to the Company to purchase the Shares underlying the RSUs vested in him, in pursuance of the RSU 2021, in accordance with the SEBI SBEBSE Regulations and the procedure laid down by the Company for exercise of RSUs.
- xi. **"Exercise Period"** means such time period after Vesting within which the Employee should exercise the right to apply for Shares against the vested RSUs vested in him in pursuance of the RSU 2021.
- xii. **"Exercise Price"** means the price payable by the Employee in order to exercise the RSUs granted to him in pursuance of the RSU 2021.

- xiii. **"Grant"** means the process by which the Company issues RSUs to the Employees under the RSU 2021.
- xiv. **"Grantee"** means an eligible Employee to whom RSUs have been granted and who has accepted such Grant in pursuance of the RSU 2021.
- xv. **"Market Price"** means the latest available closing price of Shares on the Stock Exchange on which the Shares of the Company are listed on the date immediately prior to the Relevant Date.

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

- xvi. **"Nomination and Remuneration Committee"** means the committee constituted by the Board from time to time, as per the requirements of the Applicable Laws, to administer and supervise the RSU 2021 and other employee benefit schemes among other things, pursuant to Regulation 5(2) of the SEBI SBEBSE Regulations, comprising of such members of the Board as provided under Section 178 of the Companies Act.
- xvii. **"Permanent Incapacity"** means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps a Grantee from performing any specific job, work or task which the said Employee was capable of performing immediately before occurrence of such disability, as determined by the Nomination and Remuneration Committee based on a certificate of a medical expert identified by the Company.
- xviii. **"Promoter"** has the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- xix. **"Promoter Group"** has the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. 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.
- xx. **"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 Nomination and Remuneration 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 Grantee.
- xxi. **"Restricted Stock Unit" or "RSU"** means an employee stock option granted to an Employee, which gives such Employee a right, but not an obligation, to purchase or subscribe at a future date the Share underlying such option at a pre-determined price, namely the face value of the Share.
- xxii. **"Retirement"** means retirement as per the rules of the Company.
- xxiii. **"RSU 2021"** means this Centum Electronics Limited - Restricted Stock Unit Plan 2021 under which the Company is authorized to grant RSUs to the Employees.
- xxiv. **"SEBI SBEBSE Regulations"** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended and includes all regulations and clarifications issued thereunder.
- xxv. **"Shares"** means fully paid up equity shares of face value of Re 10 (Rupee Ten) each of the Company within the meaning of this RSU 2021.
- xxvi. **"Stock Exchange"** means National Stock Exchange Limited or BSE Limited or any recognized other stock exchange in India on which the Company's Shares are listed.
- xxvii. **"Subsidiary Company"** means any present or future Subsidiary Company of the Company, as per the provisions of the Companies Act.
- xxviii. **"Termination due to cause"** means Fraud, embezzlement, or theft, Willful misconduct damaging to the Company, its reputation, products, services, or customers, Intentional violation of applicable laws or regulations, any unauthorized disclosure of any trade secret or confidential information of the company or a subsidiary, being charged with a felony or a misdemeanour involving moral turpitude.
- xxix. **"Unvested RSU"** means an RSU in respect of which the relevant Vesting Conditions have not been satisfied and as such, the Grantee has not become entitled to receive the benefit of grant made under RSU 2021.
- xxx. **"Vest" or "Vesting"** means earning by the Grantee, of the right to Exercise the RSUs granted to her/ him in pursuance of the RSU 2021.
- xxxi. **"Vesting Conditions"** means the conditions subject to which the RSUs granted would vest in a Grantee.

xxxii. “**Vesting Period**” means the period, during which the Vesting of the RSU granted to the Grantee, in pursuance of RSU 2021 takes place.

xxxiii. “**Vested RSU**” means an RSU in respect of which the relevant Vesting Conditions have been satisfied and the Grantee has become eligible to Exercise the RSU.

## **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) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference; and
- f) Words and expressions used and not defined herein but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Companies Act, and any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislations

## **3. Authority and Ceiling**

- 3.1 The shareholders of the Company while approving this Plan by way of special resolution dated October 5, 2021, have authorized the Nomination and Remuneration Committee (in exercise of its powers under Regulation 5(2) of the SEBI SBEBSE Regulations) to Grant not exceeding 1,75,000 (One Lakh Seventy Five Thousand only) RSUs to the eligible Employees under the RSU 2021, from time to time, in one or more tranches, exercisable into not more than 1,75,000 (One Lakh Seventy Five Thousand) Shares, with each such RSU conferring a right upon the Employee to apply for one Share of the Company, in accordance with the terms and conditions as may be decided under the RSU 2021.
- 3.2 The maximum number of RSUs that may be granted under RSU 2021 to any eligible Employee in any year and in aggregate shall be **lesser than 1% (One Percent)** of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant.

- 3.3 If the number of Options that may be offered to any specific employee or a group of identified employees shall be equal to or more than 1% (one percent) of the issued capital (excluding outstanding warrants & conversions) of the Company at the time of grant of Options, then the Company shall take prior approval from shareholders of the Company by way of a separate special resolution in the general meeting.
- 3.4 If an RSU expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the RSUs pool and shall become available for future grants, subject to compliance with the provisions of the Applicable Laws.

Where Shares are issued consequent to an exercise of RSUs under the RSU 2021, the maximum number of Shares that can be issued under RSU 2021 as referred to in Clause 3.1 above will stand reduced to the extent of such Shares issued.

- 3.5 In case of a Share split or consolidation, if the revised face value of the Share is less or more than the current face value as prevailing on the date of coming into force of this RSU 2021, the maximum number of Shares being granted under RSU 2021 as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (number of Shares X face value per Share) prior to such Share split or consolidation remains unchanged after such Share split or consolidation.

#### **4. Administration**

- 4.1 The RSU 2021 shall be administered by the Nomination and Remuneration Committee. All questions of interpretation of the RSU 2021 shall be determined by the Nomination and Remuneration Committee and such determination shall be final and binding upon all persons having an interest in the RSU 2021.
- 4.2 The Nomination and Remuneration Committee shall, in accordance with this RSU 2021 and Applicable Laws, determine the following:
- (a) The Eligibility Criteria for grant of RSUs to the Employees;
  - (b) The quantum of RSUs to be granted under the RSU 2021 per Employee, subject to the ceiling as specified in Para 3.1 and 3.2;
  - (c) Terms and conditions in respect of Grant, Vesting and Exercise of RSUs by the Employees which may be different for different Employees or classes thereof falling in the same tranche of Grant of RSUs under the Plan;
  - (d) The Exercise Period within which the Employee should exercise the RSU and that RSU would lapse on failure to exercise the RSU within the Exercise Period;



- (e) The procedure for making a fair and reasonable adjustment to the number of RSUs and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the Nomination and Remuneration Committee:
  - (i) the number of RSUs and the Exercise Price thereof shall be adjusted in a manner such that total value of the RSUs remains the same after the corporate action; and
  - (ii) the Vesting Period and the life of the RSUs shall be left unaltered as far as possible to protect the rights of the RSU holders.
- (f) the procedure and terms for the Grant, Vesting and Exercise of Restricted Stock Unit in case of Employees who are on long leave in terms of clause 7.5 of the Plan;
- (g) the conditions under which RSUs shall vest and be exercised in case of suspension of employment for termination due to cause;
- (h) approve forms, writings and/or agreements for use in pursuance of the RSU 2021; and
- (i) frame suitable policies and systems to ensure that there is no violation of: (a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and (b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, by the Company and the Grantees as applicable.

## **5. Eligibility and Applicability**

- 5.1 Only Employees within the meaning of the Plan are eligible for being granted RSUs. The appraisal process for determining the eligibility of Employees or Eligibility Criteria shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company/ Subsidiary Company(ies), performance during the previous years, potential contribution towards strategic growth, team building, succession, cross-functional relationship, corporate governance and such other parameters as may be decided by the Committee from time to time.
- 5.2 The RSU 2021 shall be applicable to the Company, Subsidiary Company(ies) to the extent any RSUs have been granted to the employees of such Subsidiary Company(ies), and to the successor company thereof.

**6. Grant and Acceptance of Grant**

**6.1 Grant of RSUs**

Each Grant under this RSU 2021 shall be made in writing by the Company to the eligible Employees fulfilling the Eligibility Criteria in a letter of Grant as may be approved under the Plan from time to time. No amount is payable by the Grantee at the time of Grant of RSUs.

**6.2 Acceptance of the Grant**

- (a) Any Employee who wishes to accept the Grant made under this Plan must deliver to the Company a duly signed acceptance of the letter of Grant on or before the date ("Closing Date") which shall not be more than 60 days from the date of the Grant, as specified in the letter of Grant. On receipt by the Company of the signed acceptance, the Employee will become a Grantee.
- (b) Any 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 Nomination and Remuneration Committee determines otherwise.
- (c) Upon acceptance of the Grant in the manner described above, the Employee henceforth as a Grantee, shall be bound by the terms, conditions and restrictions of the Plan and the Grant document. The Grantee's acceptance of the Grant of RSUs under the Plan, within the time period provided, shall constitute an agreement between the Grantee and the Company as to the terms of this Plan and the Grant document.

**7. Vesting Schedule and Conditions**

- 7.1** RSUs granted under this Plan would Vest not earlier than minimum Vesting Period of **1 (One) year** or such other period as may be prescribed under applicable laws and not later than maximum Vesting Period of **8 (Eight) years** from the date of Grant of such RSUs.

**Provided that** in case where RSUs are granted by the Company under the Plan in lieu of options/ RSUs 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/ RSUs granted by the Transferor Company were held by him may be adjusted against the minimum Vesting Period required under this Sub-clause, at the discretion of the Nomination and Remuneration Committee.

- 7.2** Vesting of RSUs would be subject to continued employment with the Company and thus the RSUs would vest on passage of time. In addition to this, the Nomination and

Remuneration may also specify certain performance criteria subject to satisfaction of which the RSUs would vest.

7.3 As a prerequisite for a valid Vesting, a Grantee is required to be in employment or service of the Company on the date of Vesting, and shall not be subject to any disciplinary proceedings pending against him on such date of Vesting. In case of any disciplinary proceedings against any Option Grantee, the Committee can keep the relevant Vesting in abeyance until disposal of the proceedings and such Vesting shall be determined accordingly.

7.4 The specific Vesting schedule and Vesting Conditions subject to which Vesting would take place would be outlined in the document given to the Grantee at the time of Grant of RSUs.

**7.5 Vesting of RSUs 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 Nomination and Remuneration Committee.

**8. Exercise of RSUs**

**8.1 Exercise Price**

- (a) The Exercise Price shall be the face value of the Share as on date of Exercise of RSUs.
- (b) The vested RSUs shall be exercisable either wholly or in part, according to terms and conditions as determined and mentioned under the RSU Plan during the Exercise Period.
- (c) Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn or by any electronic mode in favour of the Company or in such other manner as the Nomination and Remuneration Committee may decide from time to time.

**8.2 Exercise Period**

- (a) **While in employment:** The Vested options shall be exercised by the Grantee within the maximum exercise period of 5 (Five) years from the date of last Vesting of RSUs, or such other shorter period as may be prescribed by the Nomination and Remuneration Committee at time of Grant and as set out in the letter of Grant.
- (b) **In case of separation from employment:** RSUs can be exercised as per provisions outlined below:

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S. No.	Separations	Vested RSUs	Unvested RSUs
1	Resignation or termination (other than due to cause)	Subject to maximum Exercise Period, all the Vested RSUs as on the date of resignation/ date of termination shall be exercisable by the Grantee within 30 days from the date of last working day with the Company.	All Unvested RSUs on the date of submission of resignation/ date of termination shall stand cancelled with effect from that date.
2	Termination due to Cause	All Vested RSUs which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination.	All Unvested RSUs on the date of such termination shall stand cancelled with effect from the termination date.
3	Retirement	Subject to maximum Exercise Period, all the Vested RSUs as on the date of Retirement shall be exercisable by the Grantee within 30 days from the date of last working day with the Company.	All the Unvested RSUs as on the date of retirement shall be deemed to have been Vested on the date of Retirement and can be exercised in the manner of Vested RSUs.
4	Death	Subject to maximum Exercise Period, all Vested RSUs may be exercised by the Grantee's nominee or legal heir immediately after, but in no event later than 180 days from the date of death.	All the Unvested RSUs as on the date of death shall be deemed to have been Vested and may be exercised by the Grantee's nominee or legal heir in the manner of Vested RSUs.
5	Permanent Incapacity	Subject to maximum Exercise Period, All Vested RSUs may be exercised by the Grantee, immediately	All the Unvested RSUs as on the date of such Permanent Incapacity shall be deemed

S. No.	Separations	Vested RSUs	Unvested RSUs
		after, but in no event later than <b>180 days</b> from the date of such incapacity.	to have been Vested and can be exercised in the manner of Vested RSUs.
6	<b>Other reasons apart from those mentioned above</b>	The Nomination and Remuneration Committee shall decide whether the Vested RSUs as on that date can be exercised by the Grantee or not, and such decision shall be final.	All Unvested RSUs on the date of separation shall stand <b>cancelled</b> with effect from that date.

8.3 The RSUs shall be deemed to have been exercised when a Grantee makes the payment of Exercise Price and applicable taxes along with an application in writing complete in all respect to the Company or by any other means as decided by the Nomination and Remuneration Committee, for allotment of Shares of the Company against the RSUs vested in him.

#### 8.4 Lapse of RSUs

The RSUs not exercised within the Exercise Period shall lapse and be cancelled. The Employee shall have no right over such lapsed or cancelled RSUs.

#### 9. Lock-in

The Shares arising out of Exercise of Vested RSUs shall not be subject to any lock-in restriction except such restrictions as may apply under the Applicable Laws and particularly in connection with or after Listing.

#### 10. Exit route in case of de-listing

If the Company gets de-listed from all the recognized Stock Exchanges, then the Board or Nomination and Remuneration Committee as authorized by the Board shall have the powers to set out terms and conditions for the treatment of Vested RSUs and Unvested RSUs in due compliance of the Applicable Laws.

#### 11. Restriction on transfer of RSUs

11.1 The RSUs shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

11.2 RSUs shall not be transferable to any person, except in the event of death of the Grantee in which case clause 8.2(b) would apply as to transmission of any rights of the deceased Grantee.

11.3 No person, other than the Grantee to whom the RSU is granted, shall be entitled to Exercise the RSU, except in the event of the death of such Grantee, in which case provisions of table under Sub-clause 8.2(b) would apply.

**12. Rights as a shareholder**

12.1 The Employee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a Shareholder in respect of RSUs granted, till Shares underlying such RSUs are allotted on Exercise of such RSUs.

12.2 Nothing herein is intended to or shall give the Grantee any right or status of any kind as a shareholder of the Company (for example, bonus shares, rights shares, dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Grantee exercises the RSUs and becomes a registered holder of the Shares of the Company.

12.3 If the Company issues bonus or rights shares, the Grantee will not be eligible for the bonus or rights Shares in the capacity of a Grantee. However, an adjustment to the number of RSUs or the Exercise Price or both would be made in accordance with Clause 4.2(e) of RSU 2021.

**13. Taxation**

13.1 The liability of paying taxes, if any, in respect of RSUs granted pursuant to this RSU 2021 and the Shares issued pursuant to Exercise thereof shall be entirely on the Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder.

13.2 The Company shall have the right to deduct from the Grantee's salary or recover separately, any of the Grantee's tax obligations arising in connection with the RSUs upon the Exercise thereof. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.

13.3 The Company shall have no obligation to deliver Shares until the Company's tax deduction obligations, if any, have been satisfied by the Grantee.

**14. Authority to vary terms**

Subject to such approvals as may be required under the Applicable Laws and approval of

the shareholders of the Company by way of a special resolution, the Nomination and Remuneration Committee may amend, alter, or vary the terms of the RSU 2021 and/ or terms of the RSUs already granted under the RSU 2021, but not yet exercised, subject to the condition that such amendment, alteration, or variation, as the case may be is not detrimental to the interest of Grantees.

**15. Miscellaneous**

**15.1 Government Regulations**

This RSU 2021 shall be subject to all Applicable Laws including any statutory modification(s) or re-enactment(s) thereof, and approvals from governmental authorities, if any, and to the extent required.

**15.2 Inability to obtain approval**

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

**15.3 Neither the existence of this RSU 2021 nor the fact that an individual has on any occasion been granted an RSU 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 RSU 2021 or any future scheme(s) by being granted an RSUs on any other occasion.**

**15.4 The rights granted to a Grantee upon the grant of RSUs shall not accord the Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).**

**15.5 The 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 RSUs in whole or in part.**

**15.6 General Risks**

Participation in the RSU 2021 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 Grantee alone.

**16. Accounting and Disclosures**

**16.1 The Company shall follow the IND AS 102 on share based payment and/ or any relevant accounting standards as 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 SBEBSE Regulations.

16.2 The Board shall also make the requisite disclosures of the Plan, in the manner specified under the SEBI SBEBSE Regulations.

16.3 The Company shall make disclosures to the prospective Grantees containing statement of risks, information about the Company and salient features of the RSU 2021 in a format as prescribed under SEBI SBEBSE Regulations.

**17. Certificate from Auditors**

17.1 The Board shall at each annual general meeting place before the shareholders a certificate from the secretarial auditors of the Company that the RSU 2021 has been implemented in accordance with the SEBI SBEBSE Regulations and in accordance with the resolution of the Company passed through postal ballot process where RSU 2021 has been approved.

**18. Governing Laws**

18.1 The terms and conditions of the RSU 2021 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 RSUs are granted to any Employee being resident outside India belonging to the Company, 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 and Exercise of RSUs thereof.

**19. Notices**

19.1 All notices of communication required to be given by the Company to a Grantee by virtue of this RSU 2021 shall be in writing and/or in any other means of electronic communication. The communications shall be made by the Company in any one or more of the following ways:

- i. Sending communication(s) to the last known address of the Grantee available in the records of the Company; or
- ii. Delivering the communication(s) to the Grantee in person with acknowledgement of receipt thereof; or
- iii. Emailing the communication(s) to the Grantee at the official email address



provided if any by the Company during the continuance of employment or at the email address provided by the Grantee after cessation of employment.

- 19.2 Any communication to be given by a Grantee to the Company in respect of RSU 2021 shall be sent to the person at the address mentioned below:

**COMPANY SECRETARY**

**Centum Electronics Limited**

**Address:** No.44, KHB Industrial Area, Yelahanka New Town,  
Bangalore 560 106, Karnataka

Or, at Email id: [investors@centumelectronics.com](mailto:investors@centumelectronics.com)

**20. Jurisdiction**

- 20.1 The Courts at Bangalore, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this RSU 2021.
- 20.2 Nothing in this Clause shall however limit the right of the Company to bring proceedings against any Employee in connection with this Plan:
- (i) in any other court of competent jurisdiction; or
  - (ii) concurrently in more than one jurisdiction

**21. Severability**

In the event any one or more of the provisions contained in this RSU 2021 shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this RSU 2021, but this RSU 2021 shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and the RSU 2021 shall be carried out as nearly as possible according to its original terms and intent.

**22. Confidentiality**

- 22.1 A Grantee must keep the details of the RSU 2021 and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, co- employees or with any employee and/ or associate of the Company or that of its affiliates. In case Grantee is found in breach of this Confidentiality Clause, the Company shall have undisputed right to terminate any agreement for Grant of RSUs and all unexercised RSUs shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality requirement shall be final, binding and cannot be questioned by Grantee. In case of non-adherence to the provisions of this clause, the Nomination and Remuneration Committee will have the authority to deal with such cases as it may deem fit.

- 22.2 On acceptance of the Grant of RSU offered by the Company, it shall be deemed that as if the Grantee has authorized the Company to disclose information relating to the Grantee during the process of implementation of the RSU 2021 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. In case the Grantee intends to withdraw this deemed authorization by withdrawing from the Grant, he/ she can do so with express communication to the Company.

-----End of Plan-----