

JYOTI STRUCTURES LIMITED
EMPLOYEE STOCK OPTION SCHEME 2021 ('ESOS')

This ESOS has been framed by the Nomination and Remuneration Committee (NRC) of the Board of Directors of the company in accordance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

1. SHORT TITLE AND COMMENCEMENT

- 1.1 This scheme may be called the "JSL Employee Stock Option Scheme 2021" ("JSL ESOS 2021").
- 1.2 The JSL ESOS 2021 is established with effect from April 22, 2022, on which the shareholders have approved the JSL ESOS 2021 by way of a special resolution and shall continue to be in force until (i) its termination by the Board or Nomination and Remuneration Committee as per provisions of Applicable Laws, or (ii) the date on which all of the Options available for issuance under the JSL ESOS 2021 have been issued and exercised, whichever is earlier.

2. OBJECTIVE

This ESOS has been designed so as to attract, retain and remain competitive in the talent market and to strengthen interdependence between individual and organization prosperity.

3. DEFINITIONS

Unless repugnant to the context of meaning hereof, the following terms shall have the following meanings:

"Act" means The Companies Act, 2013 and includes any statutory modifications or re-enactments thereof.

"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 Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the Securities And Exchange Board of India (Share Based Employee

Benefits) and Sweat Equity Regulations, 2021 (as defined below) 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.

“Board” means the Board of Directors of the Company and includes any Committee(s) consisting of one or more members of the Board and/ or one or more officials of the Company which the Board may constitute to exercise powers of the Board.

“Company” means Jyoti Structures Limited incorporated under the Companies Act 1956 (CIN No L45200MH1974PLC017494) and having registered office at 6th Floor, Valecha Chambers, New Link Road, Andheri (W), Mumbai, Maharashtra, India - 400053.

“Date of Grant” means the date of letter issued to a specific Employee granting Options.

“Date of Vesting” means the last date of the Vesting Period.

“Director” means a member of the Board of the Company.

“Employee” means:

- a. any permanent or contractual employee of the Company working in India or out of India; or
- b. an employee as defined in sub-clause (a) of a subsidiary, in India or out of India or of a holding company of the Company.

“Eligible Employee” means an Employee who qualifies for issue of Options under this Scheme and who fulfils the conditions as decided in the appraisal process by the NRC or who is otherwise nominated by the NRC at its sole discretion as being eligible for issue of an Options.

“Employee Stock Option Scheme 2021 / ESOS Scheme/JSL ESOS 2021” means this “JSL Employee Stock Option Scheme 2021.

“ESOS Shares” means Shares arising out of the exercise of an Options granted under ESOS.

“Exercise” means the act of making an application by the Option Grantee to the Company for issue of shares against the Options vested in the Option Grantee in pursuance of this ESOS.

“Exercise Period” means the time period within which the Options Vested

in an Option Grantee have to be exercised by the Option Grantee as mentioned in Clause 17 of this ESOS.

“Exercise Price” means the price at which the Employee is entitled to subscribe to the Equity Share issued to him under this ESOS, being the price determined by NRC at the time of granting the Options.

“Grant” means the process by which the Company Issues Options to Eligible Employees under this ESOS.

“Independent Director” means a director of the Company, not being a whole time director and fulfills all conditions specified in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (LODR) Regulations, 2015 (as amended from time to time).

“Issue Price” means the price not below the face value and not more than the market price, being the price determined by NRC at the time of granting the Options.

“Market Price” means the latest available closing price on the Stock Exchange i.e. Bombay Stock Exchange (BSE) & National Stock Exchange (NSE) on which the Shares of the Company are listed, immediately prior to the Relevant Date. Where the shares of the Company are listed on more than one Stock Exchanges, for the purpose of grant of Options, the closing price shall be considered on the Stock Exchange on which higher number of shares of the Company has been traded on the day immediately prior to the Relevant Date.

“Nomination and Remuneration Committee” (referred to as the NRC) constituted by the Board in accordance with the applicable laws, comprising a majority of Independent Directors. The Board has designated the Nomination and Remuneration Committee for administration and superintendence of this Scheme and designated by the Company as the ‘compensation committee’ for administration and supervision of the JSL ESOS 2021.

“Option” means a right (but not an obligation) granted to an Employee pursuant to this ESOS to apply for Equity Shares of the Company at a future date at the Exercise Price.

“Option Grantee” means an Employee having the right (but not the obligation) to Exercise an Option in pursuance of the ESOS.

“Permanent Disability” means, with respect to Eligible Employee, a physical or mental impairment of such severity that the person is unable

to continue performing the duties, the person performed before such impairment and termination of the person's employment with the Company.

"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 NRC, on which the grant is made; or
- (ii) in the case of Exercise, the date on which the notice of Exercise is given to the Company by the Option Grantee

"Relative" shall have the same meaning as defined under section 2(77) of the Companies Act, 2013.

"SEBI Regulations" means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

"Shares" or **"Equity Shares"** means equity shares of the Company having a face value of Rs.2/- each per share.

"Vested Option" means an Option in respect of which the relevant Vesting Period has been completed.

"Vesting" shall mean the process by which the Employee is given the right to apply for Equity Shares in the Company against the Options Granted to the Employee in pursuance of the ESOS, and the term **"Vest"** shall be construed accordingly.

"Vesting Period" means the period set forth in Clause 12 or such other period of one year as determined by the NRC during which period the Vesting of the Options Granted to the Employee in pursuance of this ESOS takes place.

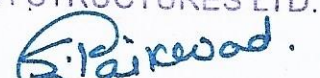
"Year" means from the date of grant.

4. INTERPRETATION

4.1 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;

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- c) words in singular number include the plural and vice versa;
- d) words importing a gender include any other gender;

5. AUTHORITY CEILING.

- 5.1 Subject to the approval of the shareholders meeting, the Company will issue under the Scheme, Options not more than 5% of Total paid up capital of the Company, as decided by the Board in their meeting, which is exercisable to the Employees, with each such an Option conferring a right upon the Employee to apply for one Equity Share of the Company, in accordance with the terms and conditions of the Grant.
- 5.2 If an option expires or becomes unexercisable without having been exercised in full, the unpurchased ESOS Shares, which were subject thereto, shall become available for future Grants or sale.
- 5.3 Where ESOS Shares are issued consequent upon exercise of an Option under the Scheme, the upper limit on the number of ESOS Shares referred to in Clause 5.1 above will stand reduced to the extent of such ESOS Shares issued.

6. SCOPE AND APPLICATION

The Options to be granted under this ESOS shall be available to all Eligible Employees.

7. ADMINISTRATION OF THE ESOS

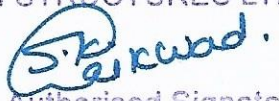
- 7.1 The administration of this ESOS shall be effected by the NRC.
- 7.2 The Company may grant the Options to the Eligible Employees, as determined by the NRC. All questions of interpretation of the JSL ESOS 2021 shall be determined by the Nomination and Remuneration Committee and such determination shall be final and binding upon all persons having an interest in the JSL ESOS 2021.
- 7.3 Subject to the approval of the shareholders meeting, the Company will issue an Options to the Employees under Employee Stock Option Scheme and the regulations prescribed by the Securities and Exchange Board of India, the NRC in its absolute discretion has been authorised to determine all the terms and conditions of the ESOS

including, but not limited to:-

- (a) the time when the Options are to be Granted;
- (b) the number of Options to be Granted under the ESOS to any Employee;
- (c) obtaining permissions from and making periodic reports to the regulatory authorities as may be required and ensuring compliance with all guidelines applicable to the ESOS;
- (d) the criteria for determining the number of Options to be Granted to the Eligible Employees;
- (e) the terms and conditions subject to which the Options Granted would Vest in the Eligible Employees;
- (f) the terms and conditions subject to which the Options Vested would be Exercised by the Eligible Employees;
- (g) the procedure for cashless Exercise of Options;
- (h) the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of corporate actions;
- (i) the right of the Eligible Employee to Exercise all the Options Vested in him/her at one instance or at various points of time within the Exercise Period.
- (j) the right to re-price the Options by modifying the Exercise Price at which unexercised Options may be exercised in compliance with the provisions of law including the SEBI Regulations.
- (k) the Grant, Vest and Exercise of Options in case of Eligible Employee who are on long leave;
- (l) framing suitable policies and systems to ensure that there is no violation of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2021 and Securities Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations 2022

8. APPOINTMENT OF MERCHANT BANKER:

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The company shall appoint a merchant banker for the implementation of the scheme covered by the regulation till the stage of obtaining "In-principle approval" from the recognized stock exchanges in accordance with clause (b) of Regulation 10 of the regulation.

9. INTERPRETATION AND MODIFICATION OF ESOS

In the event of any clarification being required on the interpretation or application of this ESOS, the same shall be referred to the NRC. The decision of the NRC shall be final and binding in this regard. The NRC may modify or vary this ESOS as and when required, subject to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

10. SHARES ISSUED UNDER THIS ESOS

10.1 On Exercise of the Option by an Option Grantee in accordance with this ESOS, One Equity Share for each Option held by the Option Grantee would be issued to him /her by the Company against payment of Exercise Price.

10.2 No Employee shall be Granted Options in excess of 10% of the total Options Granted pursuant to this ESOS.

10.3 The aggregate number of ESOS Shares to be issued by the Company under this ESOS at any point of time shall not be more than 5 % of the total paid up capital of the Company as on the date of Board Meeting.

11. CRITERIA FOR GRANT OF OPTIONS

11.1 The NRC shall, inter alia, take into consideration contribution during closure of operations as criteria into consideration, the performance level, merit, future potential contribution, conduct of the Employee and such other appropriate relevant factors while Granting the Options.

11.2 All Employees to whom the NRC has resolved that the aforesaid Options be Granted would be informed of the same by way of a separate communication along with means of communication.

12. VESTING OF OPTIONS

Options Granted to an Employee would vest at the end of one year from

the date of Grant of such Options. Vesting of an Options would be subject to continued employment with the Company. The NRC may decide for granting an options from time to time subject to overall ceiling of 5% of total paid up share capital of the Company existed at the time of approval of the ESOS. No Option Shall Vest in any employee if the employee ceases to be in the employment of the Company before the date of vesting of an options except in the following cases.

A. Death of an Employee

In case of death of an Employee to whom Options have been Granted, all Options Granted to the Employee shall be deemed to have Vested in the Employee on the date of his / her death and shall be Exercisable by his / or her nominee and in the absence of any nominee, by the Employee's legal heirs and successors. All such Options shall be Exercisable by the legal heirs, successors and/or nominees, as the case may be, immediately but not later than 12 months from the date of death of the Employee. The determination of who are the legal heirs, successors and/or nominee, as the case may be, of the deceased Employee shall be solely and exclusively at the discretion of the NRC. The Company shall make available to the Employees specific nomination forms from time to time to enable them to nominate persons in respect of the Options.

B. Permanent Disablement

In case an Employee suffers Permanent Disablement while in employment, all the Options Granted to him / her as on the date of Permanent Disablement shall Vest in him / her on that date. All such Options shall be exercisable within a period of 12 months from the date of such Vesting.

C. Resignation /Termination of employment

In the event of resignation or termination of an Employee, the Employee shall be entitled to retain all the Vested Options and Exercise the same within a period of one month from the date of cessation of the employment, unless such resignation or termination is on account of misconduct or misdemeanour of the Employee. The NRC shall have absolute discretion in determining whether there has been any "misconduct" or "misdemeanour" on the part of the Employee and the decision of the NRC in this regard

shall be final and binding on the Employee. If the resignation or termination of the Employee is attributable to misconduct / misdemeanour of the Employee, then in that event all Option Vested in the Employee shall forthwith lapse and the Employee shall not be entitled to Exercise such Options.

All Unvested Options on the date of submission of resignation shall stand cancelled with effect from that date.

D. Retirement of an Employee

In case the Employee to whom the Options are Granted retires, or vacates his/her office upon reaching the age of superannuation as per the Company's rules or upon expiry of any extension thereof or on account of any directives, statutory provisions, clarifications or guidelines of the Reserve Bank of India (other than a directive, provision, clarification or guideline relating to the misconduct or misdemeanour of an Employee) then in such a case, all Granted Options shall forthwith Vest in such Employee. However, the Employee shall Exercise the Options within a period of six months from the date of such retirement/vacating of the office, failing which the said Options shall lapse to the extent not exercised within the said six months.

All unvested options on the date of retirement shall stand cancelled with effect from that date.

E. Abandonment of Employment by an Option Grantee

In the event of abandonment of employment by an Option Grantee without the Company's consent, all Options granted to such Employee, including the Vested Options, which were not exercised at the time of abandonment of employment, shall stand cancelled. The NRC, at its sole discretion shall decide the date of cancellation of Options and such decision shall be binding on all concerned.

F. Suspension of Employee

The Options Granted but not Vested and the Options Vested but not Exercised in case of an Employee who has been suspended or in case of an Employee against whom an enquiry is being conducted for any reason, shall stand suspended and shall neither Vest nor be

Exercisable until the enquiry is completed. In case the Employee is found guilty of misconduct, such Options shall lapse whether or not he/she is dismissed or discharged.

G. Other Reasons

In the event of separation of an Option Grantee from the employment due to reasons other than those mentioned in clauses 12 (A), (B), (C), (D) and (E) the NRC, at its sole discretion may decide the treatment of all Vested (unexercised) and unvested Options.

13. Exercise Price

The Exercise Price per Option shall be at the price determined by the Nomination and Remuneration Committee which in no case shall be less than face value of the Shares and not more than the market price.

14. LOCK-IN

The Shares arising out of Exercise of Vested Options shall not be subject to any lock-in period from the date of allotment of such Shares under JSL ESOS 2021.

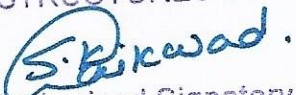
Provided that the Shares allotted on such Exercise shall be sold in accordance with the terms of Code of Conduct for Prevention of Insider Trading of the Company framed under Securities Exchange Board of India (Prohibition of Insider Trading), Regulations, 2021.

15. MERGER AND AMALGAMATION

The Options Granted hereunder shall not be affected by any takeover, merger, amalgamation of any other entity with the Company. If the Company is merged or amalgamated into any other entity or if there is any material and sizeable change in the controlling interest or if any investor acquires more than 25% of the paid-up Share capital of the company either by itself or together with Relatives / group companies / entities acting in concert, then in such an event, shall Options Granted shall forthwith Vest in the Employees and they shall be entitled to Exercise the same forthwith.

16. BONUS OR RIGHTS ISSUE

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In the event of a bonus/rights issue of Shares or other corporate actions by the Company during the Vesting Period, the NRC may adjust the Exercise Price and number of Options Granted to the Eligible Employees in a manner such that the total value of this ESOS remains the same. Any additional Option Granted to the above effect will be treated at par with the original Options in relation to which they are issued vis-à-vis the Vesting thereof, etc.

17. EXERCISE OF OPTIONS

- 17.1 Save and except as mentioned in Clause 12 , Option Grantees may Exercise Vested Options, in one or more instances before the expiry of 12 months from the respective date(s) Vesting of the Options.
- 17.2 The mode and manner of the Exercise of the Options shall be communicated separately to the Option Grantees by the Company. On Exercise of the Options the Option Grantee shall forthwith pay to the Company the Exercise Price.
- 17.3 The right of an Eligible Employee to exercise an Option after the Vesting Period shall be subject to the grant of "In-principle approval" of the relevant stock exchanges for trading. It is clarified that the Options can be exercised only after they are vested in the Employees and the allotment in respect thereof shall be made within 15 days from the last date of the calendar month in which the Employee has exercised the Option. The details of Options Exercised during a particular calendar month shall be furnished to the stock exchanges for listing permission immediately thereafter or in accordance with the provisions of the regulations of the stock exchanges then in force. Trading of such Shares shall be subject to the approval of the stock exchanges.
- 17.4 Option Grantees who intend to go on long leave i.e. absence from the office for more than **3 months**, the treatment of Options granted to him/her, whether vested or not, shall be determined by the NRC, whose decision shall be final and binding.

18. LAPSE OF OPTIONS AND GRANTING THEREOF

- 18.1 Without prejudice to the provisions of Clause 12, the Options Vested in an Option Grantee shall lapse upon the expiry of 12

months from the date of such Vesting. If the Options are not exercised by the Option Grantees concerned within a period of 12 months from the Date of Vesting of such Options, the right of the Option Grantees to apply for Option / Equity Shares, shall stand forfeited and such Options shall forthwith lapse.

18.2 In the event of lapse of any Options pursuant to the provisions of Clause 16 or the previous sub-clause, the said lapsed Options shall be available to the NRC for Grant to such other Employees as the NRC may deem fit.

19. CASHLESS EXERCISE

Notwithstanding anything contained in Clause 18, in case any Option Grantee is desirous of Exercising Options Vested in him / her, the Company may permit the empanelled stock brokers of the Company, to fund the payment of the Exercise Price which shall be adjusted against the sale proceeds of some or all the Shares that would be required to be sold / transferred. The NRC shall be entitled to frame such rules, regulations in this regard from time to time as may be needed to enable the Option Grantee to avail of this facility of cashless Exercise.

20. NON-TRANSFERABILITY OF THE OPTIONS

20.1 The Options Granted to an Employee shall not be transferable by the Employee to any other person. No other person shall be entitled to Exercise the Option in lieu of or on behalf of or in trust for the Employee except in case of death of an Employee.

20.2 The Options Granted to an Employee shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

21. LISTING OF SHARES

The Shares allotted to the Option Grantees under this ESOS shall be listed on the stock exchanges subject to the terms and conditions of this ESOS and terms and conditions of the listing regulations.

22. TAX-LIABILITY

22.1 In the event of any tax liability arising to the Employee on account of the Grant of the Options/conversion of options into Equity

Shares/Sale of Equity Shares or any other event, the liability shall be that of the Employee alone.

22.2 In the event of any tax liability arising on account of grant of Options, the Company shall be entitled to withhold such tax from any dues to the Eligible Employee or recovery from employee. The Company shall have no obligation to deliver ESOS Shares until the Company's tax deduction obligations, if any have been satisfied by the Option Grantee.

23. RIGHTS AS SHAREHOLDER

23.1 The Option Grantee shall not be able to Exercise any rights of a shareholder in respect of the Options Granted to him/her until he/she is allotted the requisite Equity Shares upon his/her Exercising the Option so Granted to him/her in accordance with this ESOS. However, all Option Grantees will receive communications from the Company as per the SEBI Regulations.

23.2 No Option Grantee shall have the right to receive any dividend or to vote at any meeting of the Company or in any manner to enjoy the benefits of a shareholder in respect of Options Granted or Vested in the Option Grantee, until and unless Equity Shares are issued the Option Grantee upon Exercise of the Options. All Equity Shares of the Company issued consequent to such exercise shall rank on pari-passu basis, including rights in respect of dividend (i.e. on par with and with the same rights and benefits of) with the then existing Equity Share of the Company.

24. DISPUTE RESOLUTION

Any dispute or disagreement which may arise under, or as a result of, or pursuant to, or in connection with this ESOS shall be referred to the board of the Company and shall be determined by the board of the Company and any such determination /decision /interpretation by the board shall be binding on all persons affected thereby.

25. GOVERNING LAW AND JURISDICTION

25.1 The terms and conditions of the ESOS shall be governed by and construed in accordance with the laws of India.

25.2 The Courts of Mumbai, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOS.

25.3 Nothing in this Clause will however limit the right of the Company to bring proceedings against any Employee in connection with this ESOS:

- (i) in any other court of competent jurisdiction; or
- (ii) concurrently in more than one jurisdiction.

26. NOTICES

26.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this Scheme 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 the Scheme shall be sent to the address mentioned below:

Jyoti Structures Limited

6th Floor, Valecha Chambers,
New Link Road, Andheri (W), Mumbai,
Maharashtra, India - 400053.

27. AMENDMENT AND TERMINATION OF THE SCHEME

27.1 The NRC may at any time amend, later, suspend or terminate the Scheme, to the extent, subject to and after compliance with the requirement of applicable laws, provided that the Company shall not vary the terms of the Scheme in any manner which may be detrimental to the interests of the Employees.

27.2 The Company may by a special resolution in a general meeting of its shareholders vary the terms of the Scheme offered pursuant to an earlier resolution of a general body but not yet exercised by the Employee provided such variation is not prejudicial to the interest of the Option holders.

27.3 Termination of the Scheme shall not affect the NRC's ability to exercise the powers granted to it hereunder with respect to

Option Granted under the Scheme prior to the date of such termination.

- 27.4 Any change, amendment, under this clause shall be subject to obtaining of approvals of Board from concerned authorities and so long as otherwise such change, is in accordance with the statutory provision, guidelines, etc.

28. MISCELLANEOUS

28.1 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 for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair)

28.2 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 for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair)

29. REGULATORY APPROVALS AND COMPLIANCES

29.1 The ESOS shall be subject to such regulatory approvals as may be required from time to time.

29.2 The ESOS shall at all times comply with the provisions of the taxation laws, SEBI regulations including the Foreign Exchange Management Export of Goods and Services (Amendment) Regulation, 2021 and the regulations issued thereunder and any other applicable laws, rules and regulations. The Grant of options and the issue of Share pursuant to Exercise of Options shall entitle the Company to require the Option Grantees to fully comply with such requirements of all such laws as may be necessary.

29.3 The inability of the Company to obtain authority from any regulatory body having jurisdiction, or under any applicable law

including but limited to the SEBI Guidelines for the lawful issuance and sale of any ESOS Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of failure to issue or sell such ESOS Shares.

30. CERTIFICATE FROM AUDITORS:

The Board of Directors shall at each annual general meeting place before the shareholders, a certificate from the Secretarial Auditor of the company that the(s) has been implemented in accordance with these regulations and in accordance with the resolution of the company in the general meeting.

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