

# **JK Urbanscapes Developers Limited**

**JKU Employee Stock Option Plan 2025**

**("ESOP 2025"/ "Plan")**

**Registered Office: Kamla Tower, Kanpur, Uttar Pradesh, India - 208001**

**CIN: U17111UP1924PLC000275**

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

- 1.1 This Employee Stock Option Plan shall be called the ‘**JKU Employee Stock Option Plan 2025**’ (hereinafter referred to as “**ESOP 2025**”/ “**Plan**”).
- 1.2 The primary objective of the Plan is to:
- (i) Attract and retain talent as well as to motivate the eligible Employees to contribute to the growth and profitability of the Company and Subsidiary(ies) of the Company;
  - (ii) To achieve sustained growth and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company;
  - (iii) Recognize and reward the eligible Employees for their high performance and continued association with the Company
  - (iv) To provide a sense of ownership to the eligible Employees leading to motivation, loyalty, and commitment towards the organization.
- 1.3 The Plan is established with effect from March 12, 2025 on which the Shareholders of the Company have approved the Plan, and it shall continue to be in force until:
- (i) its termination by the Committee as per the provisions of Applicable Laws,  
or
  - (ii) the date on which all of the Options available for issuance under the Plan have been issued and exercised, whichever is earlier.

**2. Definitions and Interpretation**

**2.1 Definitions**

- i. “**Applicable Law**” means every rule, regulation or law relating to Employee Stock Options, including, without limitation, the Companies Act, any enactment or re-enactment thereof, and all relevant tax, securities, exchange control or corporate laws of India.
- ii. “**Board**” means the Board of Directors of the Company.
- iii. “**Companies Act**” means the Companies Act, 2013 read with rules issued thereunder from time to time and includes any statutory modifications or reenactments thereof.
- iv. “**Company**” means “**JK Urbanscapes Developers Limited**”, a Company duly incorporated under the provisions of the Companies Act, 1913 and presently governed by the provisions of Companies Act, 2013 having CIN: U17111UP1924PLC000275 and having its registered office at Kamla Tower, Kanpur, Uttar Pradesh, India - 208011.
- v. “**Company Policies/Terms of Employment**” means the Company’s Policies for Employees and the terms of employment as contained in the employment letter 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.

Company Policies/ Terms of Employment of Subsidiary(ies) Company as regards an Option Grantee on the payrolls of such Subsidiary(ies) Company shall be deemed to be “Company Policies/ Terms of Employment” for such Option Grantee.

- vi. **“Committee”** means the Nomination and Remuneration Committee of the Board, as constituted, or reconstituted from time to time under Section 178 or any other relevant provisions of the Companies Act, with a view to administer and supervise employee stock option policies of the Company, implemented from time to time, including this Plan.
- 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 Committee for granting the Options to the Employees.
- ix. **“Employee”** means
  - (i) a permanent employee of the Company who has been working in India or out of India; or
  - (ii) a Director of the Company, whether a whole time Director or not;
  - (iii) employees as mentioned in (i) and (ii) above of a Subsidiary(ies) Company in India or outside India.

**but excludes**

  - a. an employee who is a Promoter or a person belonging to the Promoter Group;
  - b. a Director who either by himself or through his relatives or through any Body Corporate, directly, or indirectly holds more than 10% of the outstanding equity shares of the Company; and
  - c. a Director being an Independent Director.

**Provided that** the Company shall take prior approval of the Shareholders of the Company by way of a special resolution for Grant of Options to the Employees of the Subsidiary(ies) Company.

- x. **“Employee Stock Option”** means an 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 underlying the Option at a pre-determined price.
- xi. **“ESOP 2025”** means the ‘JKU Employee Stock Option Plan 2025’ 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 Company to purchase the Shares underlying the Options vested in him, in pursuance of the Plan, in accordance with the procedure laid down by the Company for Exercise of Options.
- xiii. **“Exercise Period”** means such time period commencing after Vesting within which the Employee should Exercise the Options vested in him in pursuance of the Plan, as more particularly specified at Sub-clause 8.2 of the plan.
- xiv. **“Exercise Price”** means the price payable by an Option Grantee in order to Exercise the Options vested to him in pursuance of the Plan.

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- xv. **“Fair Market Value”** means the value of a Share of the Company as determined by a registered valuer, as required by Applicable Laws for the time being in force and appointed by the Company from time to time.
- xvi. **“Grant”** means the process by which the Company issues Options to the Employees under the Plan.
- xvii. **“Independent Director”** means a Director within the meaning of Section 149(6) of the Companies Act.
- xviii. **“Listing”** means listing of the Company’s Shares on any recognized Stock Exchange in India which includes listing of Shares pursuant to initial public offering of Shares as per Applicable Laws.
- xix. **“Liquidity Event”** means any event or transaction as decided and approved by the Committee as Liquidity Event for the purposes of this Plan, from time to time, which more particularly includes the following events:
  - a. Stake Sale event conferring a right of drag along to the Shareholders in terms of provisions of Sub-clause 9.1 of the Plan;
  - b. Offer for purchase by an investor in terms of provisions of the Sub-clause 9.2 of the Plan;
  - c. Listing, whereby the Shares of the Company get listed on any recognized Stock Exchange in terms of provisions of Sub-clause 9.3 of the Plan; and
  - d. any other event, which the Committee may designate as a Liquidity Event for the purpose of the Plan.
- xx. **“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 Committee after giving the Employee an opportunity of being heard:
  - (i) dishonest statements or acts of an Employee, with respect to the Company;
  - (ii) any misdemeanor involving moral turpitude, deceit, dishonesty, or fraud committed by the Employee;
  - (iii) gross negligence, misconduct, or insubordination of the Employee in connection with the performance of his duties and obligations towards the Company;
  - (iv) breach by the Employee of any terms of his employment agreement or the Company’s policies or other documents or directions of Company;
  - (v) participating or abetting a strike in contravention of any law for the time being in force;
  - (vi) misconduct as provided under the labor laws after following the principles of natural justice; and
  - (vii) Any other terms and conditions as notified by the Committee from time to time.
- xxi. **“Option”** means Employee Stock Option within the meaning of this Plan.
- xxii. **“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.
- xxiii. **“Permanent Incapacity”** means any disability of whatsoever nature, be it physical, mental, or otherwise, which incapacitates or prevents or handicaps an Employee from

performing any specific job, work, or task which the said Employee was capable of performing immediately before such disablement, as determined by the Committee based on a certificate of a medical expert identified by the Committee.

xxiv. **“Plan”** means ESOP 2025 within the meaning of this document.

xxv. **“Promoter”** means a person:

- (a) who has been named as such in a prospectus or is identified by the Company in the annual return;
- (b) who has control over the affairs of the Company, directly or indirectly whether as a Shareholder, Director or otherwise; or
- (c) in accordance with whose advice, directions, or instructions the Board is accustomed to act:

**Provided that** nothing in Sub-clause (c) shall apply to a person who is acting merely in a professional capacity.

xxvi. **“Promoter Group”** means (a) an immediate relative of the Promoter (i.e., spouse of that person, or any parent, brother, sister or child of the person or of the spouse); (b) persons whose shareholding is aggregated for the purpose of disclosing ‘shareholding of the Promoter Group’ in the offer document.

xxvii. **“Retirement”** means Retirement as per the rules of the Company.

xxviii. **“Shares”** means equity shares of the Company of face value of **Rs. 10 (Rupee Ten)** each fully paid-up including the equity shares arising out of the Exercise of Options granted under the Plan.

xxix. **“Shareholder”** means a person whether a natural individual or a corporate entity, who holds Shares in the paid-up equity share capital of the Company at the relevant point of time.

xxx. **“Strategic Sale”** means sale of Shares held by the Shareholders to any individual(s), entity(ies) or group(s) other than the Promoter or Promoter Group, of more than 50% (fifty percentages) of the voting power in the Company and involving change of control over the affairs of the Company.

**Provided that** sale of Shares by the Shareholder(s) among themselves, to any of their immediate relatives being spouse of that person, or any parent, brother, sister or child of the person or of the spouse, or to any company over which such selling Shareholder(s) have control, shall not qualify as Strategic Sale.

xxxi. **“Stock Exchange”** means the National Stock Exchange of India Limited, BSE Limited or any other recognized Stock Exchanges in India on which the Company’s Shares are listed or to be listed in future.

xxxii. **“Subsidiary(ies) Company”** means any present or future Subsidiary(ies) Company of the Company, as per the provisions of the Companies Act.

xxxiii. **“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.

- xxxiv. “**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.
- xxxv. “**Vesting**” means earning by the Option Grantee, of the right to Exercise the Options granted to him in pursuance of the Plan.
- xxxvi. “**Vesting Condition**” means any condition subject to which the Options granted would vest in an Option Grantee.
- xxxvii. “**Vesting Period**” means the period during which the Vesting of the Option granted to the Employee, in pursuance of the Plan takes place.

## 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.
- f) The terms defined in the Plan shall for the purposes of the Plan have the meanings herein specified and terms not defined in the Plan shall have the meanings as defined in the Companies Act or Applicable Laws as the context requires. Reference to any Act, Rules, Statute or Notification shall include any statutory modifications, substitution or re-enactment thereof.

## 3. Authority and Ceiling

- 3.1 The Shareholders of the Company have vide their resolution dated March 12, 2025 approved the Plan authorizing to grant not exceeding **36,25,080 (Thirty Six Lakhs Twenty Five Thousand and Eighty)** Options to the eligible Employees in one or more tranches, from time to time, which in aggregate exercisable into not more than equivalent number of Shares, with each such Option conferring a right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided under the Plan.
- 3.2 The maximum number of Options under the Plan that may be granted to any Employee in any year and in aggregate shall not exceed **18,12,540 (Eighteen Lakh Twelve Thousand Five Hundred and Forty)** Options at the time of grant of Option under the Plan.
- 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 issued consequent upon Exercise of an Option under the Plan, the maximum number of Shares that can be issued under the Plan as referred to in Sub-clause 3.1 above shall 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 Plan, the maximum number of Shares available for being granted under the Plan as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (No. of Shares X Face value per Share) prior to such Share split or consolidation remains unchanged after such Share split or consolidation. Thus, for example, if the prevailing face value of each Share is Rs. 10 per Share and the revised face value after the Share split is Rs. 5 per Share, the total number of Shares available under the Plan would be (Shares reserved at Sub-Clause 3.1 x 2) Shares of Rs. 5 each. Similarly, in case of bonus issue, etc. the available number of Shares under the Plan shall be revised to restore the value.
- 3.6 Prior approval of Shareholders in the general meeting shall be obtained in case the Grant of Options to any identified Employee in any financial year is equal to or more than 1% (one percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option.

#### **4. Administration**

- 4.1 The Plan shall be administered by the Committee of the Company. All questions of interpretation of the Plan shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Plan or in any Option issued thereunder. Neither the Company nor the Committee shall be liable for any action or determination made in good faith with respect to the Plan or any Options granted thereunder.
- 4.2 The Committee shall in accordance with this Plan and Applicable Laws determine the following:
- (a) The quantum of Option to be granted under the Plan per Employee, subject to the ceiling as specified in Sub-clause 3.1;
  - (b) The Eligibility Criteria for Grant of Option to the Employees;
  - (c) The Exercise Period within which the Employee should Exercise the Option and that Option would lapse on failure to Exercise the Option within the Exercise Period;
  - (d) The specified time period within which the Employee shall Exercise the Vested Option in the event of termination or resignation of an Employee;
  - (e) The right of an Employee to Exercise all the Options vested in him at one time or at various points of time within the Exercise Period;
  - (f) The procedure for making a fair and reasonable adjustment to the number of Option and/or 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 Committee:
    - (i) the number and the Exercise Price of Option shall be adjusted in a manner such that total value of the Option remains the same before and after such corporate action; and
    - (ii) the Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Option Grantees.



- (g) The procedure and terms for the Grant, Vesting and Exercise of Option in case of Employees who are on long leave;
- (h) The conditions under which Option vested in Employees may lapse in case of termination of employment for Misconduct;
- (i) The procedure for cashless Exercise of Option, if required;
- (j) Take any other actions and make any other determinations or decisions that it deems necessary or appropriate in connection with the Plan or the administration or interpretation thereof; and
- (k) Approve forms, writings and/or agreements for use in pursuance of the Plan.

## **5. Eligibility and Applicability**

- 5.1 Only Employees within the meaning of this Plan are eligible for being granted Options under the ESOP 2025. Unless otherwise determined by the Committee, the specific Employees to whom the Option would be granted, and their Eligibility Criteria shall be determined by the Committee.
- 5.2 The Plan shall be applicable to the Company and Subsidiary(ies) Company of the Company within or outside India and any successor Company thereof and may be granted to the Employees of the Company and its Subsidiary(ies) Company, as determined by the Committee at its sole discretion.

**Provided that** in case of any Grant to the Employees of the Subsidiary(ies) Company, the Company shall obtain prior approval of the Shareholders of the Company by way of a separate resolution.

- 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 Grant**

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

### **6.2 Acceptance of the Grant**

Any eligible 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 or any other extended period, as specified in the letter of Grant. On receipt by the Company of the signed acceptance, the eligible Employee will become an Option Grantee.

- 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 Committee determines otherwise.

**7. Vesting Schedule and Vesting Conditions**

- 7.1 Options granted under the Plan shall vest not earlier than minimum period of **1 (One) year** and not later than maximum period of **4 (Four) years** from the date of Grant. The Committee at its discretion may grant Option specifying Vesting Period ranging from minimum and maximum period as afore stated.

**Provided that** in case where Options are granted by the Company under the Plan in lieu of Option 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 Option granted by the Transferor Company were held by him shall be adjusted against the minimum Vesting Period required under this Sub-clause.

- 7.2 As a prerequisite for a valid Vesting, an Option Grantee is required to be in employment or service of the Company or its Subsidiary(ies) 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 such date of Vesting. Vesting of Options would be subject to continued employment with the Company and thus the Options would vest essentially on passage of time. In addition to this, the Committee may also specify certain performance criteria subject to satisfaction of which the Options would vest.

- 7.3 The specific Vesting Conditions subject to which Vesting would take place shall be communicated to each Option Grantee individually in the letter issued at the time of Grant.

**7.4 Vesting of Options in case of Employees on long leave**

In cases of approved leaves including sick leave / maternity leave etc. as per leave policy of the Company, Vesting of Options shall not be impacted. In cases of long leaves (i.e. leave of three months or more) for any other reasons, the Vesting shall be as determined by the Committee.

**7.5 Acceleration of Vesting in certain cases**

Subject to elapse of minimum Vesting Period of **1 (One) year** from the date of Grant:

- (i) The Committee shall have the power to accelerate Vesting of any or all Unvested Options in connection with or upon happening of Liquidity Event.
- (ii) The Options remaining unvested as on date of meeting of the Committee considering the proposal for such acceleration, may at the discretion of the Committee be deemed to vest with effect from that date or from such other date as the Committee may determine.
- (iii) In case, after approval of acceleration of Vesting of Unvested Options by the Committee, there occurs no Liquidity Event, on consideration of which the Committee would have approved such acceleration, such non-occurrence shall lead to automatic cancellation of such accelerated Vesting as if such proposal was never considered nor approved by the Board as a result of which such Unvested Options shall be subject to normal Vesting schedule.

**8. Exercise**

**8.1 Exercise Price**

- (a) The Exercise Price per Option shall not be less than the Face Value of the Shares as on the date of Grant of such Option. The specific Exercise Price shall be intimated to the Option Grantee in the letter of Grant at the time of Grant.
- (b) Payment of the Exercise Price shall be made by a crossed cheque, or a demand draft drawn in favour of the Company or in such other manner as the Committee may decide from time to time.

## 8.2 Exercise Period

### (a) Exercise while in employment/ service:

The Vested Options can be exercised by the Option Grantees within (i) a fixed period as specified in the table below or (ii) such period as specified by Committee in connection with Liquidity Event, whichever is earlier.

Dates of Vesting	Exercise Period from the respective dates of vesting
1 <sup>st</sup> Anniversary from the date of Grant	48 months from the date of vesting
2 <sup>nd</sup> Anniversary from the date of Grant	36 months from the date of vesting
3 <sup>rd</sup> Anniversary from the date of Grant	24 months from the date of vesting
4 <sup>th</sup> Anniversary from the date of Grant	12 months from the date of vesting

### (b) Exercise in case of separation from employment/ service:

The Vested Options on separation from the employment can be exercised by the Option Grantee as under:

S. No.	Events of separation	Vested Options	Unvested Options
1	<b>Resignation / termination</b> (other than due to Misconduct)	All the Vested Options as on date of resignation/termination <b>can be exercised</b> by the Option Grantee on or before the <b>Last working day</b> or such period as specified by Committee in connection with <b>Liquidity Event</b> , Whichever is earlier.	All the Unvested Options as on date of resignation/ termination shall stand <b>cancelled</b> with effect from date of such resignation/ termination.
2	<b>Termination due to Misconduct</b>	All the Vested Options at the time of such termination shall stand <b>cancelled</b> with effect from the date of such termination.	All the Unvested Options at the time of such termination shall stand <b>cancelled</b> with effect from the date of such termination.

3	<b>Retirement</b>	All the Vested Options as on date of Retirement <b>can be exercised</b> by the Option Grantee within a period of 12 months from the date of Retirement or such period as specified by Committee in connection with Liquidity Event, Whichever is earlier.	All Unvested Options as on the date of Retirement shall stand <b>cancelled</b> with effect from the date of such Retirement.
4	<b>Death</b>	All the Vested Options as on date of death can be exercised by the Option Grantee's nominee or legal heir only in connection within a period of 12 months from the date of death or upon the happening of a Liquidity Event whichever is earlier and within such period as prescribed by the Committee in this regard.	All the Unvested Options as on the date of death shall be deemed to <b>vest immediately</b> and may be exercised as per provisions applicable for Vested Options.
5	<b>Permanent Incapacity</b>	All the Vested Options as on date of Permanent Incapacity can be exercised by the Option Grantee within a period of 12 months from the date of incurring Permanent Incapacity or such period as specified by Committee in connection with Liquidity Event, Whichever is earlier.	All the Unvested Options as on the date of incurring such disability shall be deemed to <b>vest immediately</b> and may be exercised as per provisions applicable for Vested Options.
6	<b>Transfer to/from Subsidiary(ies) Company</b>	The terms of Grant shall remain the same as per the letter of Grant.  In case of subsequent separation, treatment of Vested Options shall be as per applicable circumstance mentioned in this table.	All the Unvested Options shall continue to vest as per original Vesting schedule.  In case of subsequent separation, treatment of Vested Options shall be as per applicable circumstance mentioned in this table.
7	<b>Termination due to reasons apart from those mentioned above</b>	The Committee shall decide whether the Vested Options as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All Unvested Options on the date of such termination shall stand <b>cancelled</b> unless otherwise required by Applicable Laws.

**8.3 Procedure of Exercise**

The Vested Options can be exercised by the Option Grantees by a written application to the Company in the format as may be prescribed in due course keeping in view the administrative and/ or the legal requirements prevailing at that time.

**9. Exercise in case of Liquidity Events:**

**9.1 Exercise arising from Drag along rights in case of Strategic Sale:**

- (a) Notwithstanding anything contained elsewhere in this Plan, in case prior to Listing, to facilitate the Strategic Sale within the meaning of this Plan, the Shareholders shall have the right of drag-along any or all the Shares underlying the Vested Options of the Option Grantees. However, this drag-along shall be on terms not less favourable than those of the sale of the Shares held by the Shareholders as more particularly mentioned hereunder.
- (b) The Shareholders desiring to Exercise their rights stated sub-clause (a) above shall deliver a written notice ("Notice") to each Option Grantee setting out the salient feature of the Strategic Sale and details of the terms and conditions including number of Shares to be dragged-along, price per Share, the manner and mode of transfer of Shares.
- (c) Option Grantees shall Exercise the Vested Options to meet the drag-along obligation as set out in the Notice. The new Shares arising out of the Exercise of Vested Options pursuant to the Notice shall be offered by the Option Grantee. However, in case the Option Grantee chooses not to Exercise, such number of Vested Options as specified for Exercise in the Notice shall lapse on expiry of specified Exercise Period.
- (d) Each Option Grantee shall take all necessary and desirable actions in connection with the completion of the Strategic Sale, including executing agreements and instruments and taking other actions as may be reasonably necessary to provide the representations, warranties, indemnities, covenants, conditions and other provisions and agreements, as the case may be, required to complete the Strategic Sale.
- (e) If an Option Grantee fails for any reason to take any of the actions described above particularly after the allotment of Shares upon Exercise of Options, he/she shall be deemed to have appointed any Company Director nominated by the Company and its Subsidiary(ies) Company as his/her attorney, on his/her behalf and in his/her name, with full power, to execute, complete and deliver any document or instrument or to take any other action, including to receive the proceeds of the sale and to give good quitance for the sale price in order to complete the Strategic Sale. The Option Grantee shall confirm and ratify the acts of such Company Director acting as his attorney under this Sub-clause.

**9.2 Exercise in case of offer of purchase by an investor**

- (a) Prior to Listing, any individual, entity, or group ("Investor") who intends to subscribe the Shares of the Company and/ or acquire Shares from the Shareholder(s), shall have the right to make an offer ("Offer") to the Option Grantees having Vested Options yet to be exercised.
- (b) The Investor shall intimate its/his/their intention of such Offer to the Committee along with details namely the salient features of the Offer and details of the terms and conditions including, the Exercise Period within which the Vested Options must be exercised to take part in the Offer, number of Shares intended to be purchased, and purchase consideration thereof.

- (c) The purchase consideration shall not be lesser than the consideration which the Investor would be paying for subscription or acquisition of Shares, whichever is higher.
- (d) The Committee shall intimate the details of such Offer to the Option Grantees individually.
- (e) Option Grantees may at their discretion participate in this offer. In case an Option Grantee has expressed his interest for the offer, he shall take all necessary and desirable actions in connection with the purchase, including executing agreements and instruments and taking other actions as required for completing the purchase.

### **9.3 Listing or an Initial Public Offering**

Post Listing of the Shares of the Company on a Stock Exchange, Option Grantee, or his nominee/ legal heirs, where applicable, can sell Shares in the secondary market or otherwise any time in accordance with Applicable Laws and Company Policy, subject to any restriction on the transferability of Shares as per Applicable Laws.

## **10. Cash Settlement of Vested Options**

- (i) The Company at the discretion of the Board may proceed to settle any or all the unexercised Vested Options held by the Option Grantees by way of cash payment.
- (ii) Cash settlement for Option Grantees continuing employment/ service:
  - a) The consideration for cash settlement shall be equal to or excess of *'Fair Market Value of Shares as on date of such decision or any such price as determined by the Board/ Committee and agreed by the Option Grantee'* over the *'Exercise Price'*; and
  - b) As a part of the procedure for effecting cash settlement, the Company may require the Option Grantees to surrender their Vested Options within a specified period. All rights of the Option Grantee in the surrendered Vested Options including the right to exercise such Options shall be deemed to be settled and extinguished with effect from date of remittance of cash.
- (iii) Cash settlement for Option Grantees ceased to be in employment/ service:
  - a. The Board, at its sole discretion and without any obligation, may mandate for cash settlement of Vested Options of an Option Grantee who ceases to be in employment of the Company, by way of cash settlement shall be equal to or excess of *'Fair Market Value of Shares prevailing in the financial year of such resignation or termination of an Option Grantee'* over the *'Exercise Price'*. In case such mandate is notified, it shall be obligatory for such Option Grantee to offer Vested Options for cash settlement in lieu of Exercise thereof.
  - b. In case, Board determines to settle Vested Options in cases of cessation of employment, such Vested Options shall be deemed to be surrendered with all rights of Exercise extinguished with effect from the date of remittance of cash.
- (iv) The Board may frame the guidelines for executing the cash-settlement of Vested Options under the Plan.

**11. Right to prescribe for cashless Exercise of Options**

Notwithstanding anything contained in the foregoing provisions relating to Exercise of Options, the Board 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. The procedure may *inter alia* require the Option Grantees to authorize any person nominated by the Company to deal with the Options on the Option Grantees' behalf till the realization of sale proceeds.

**12. Listing**

Upon Listing, the Option Grantee, or his nominee/ legal heirs, where applicable, can sell Shares in the open market at any time in accordance with Applicable Laws and policies of the Company, subject to any lock in period as per Applicable Laws.

**13. Lapse of Options**

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

**14. Lock-in of Shares**

The Shares arising out of Exercise of Vested Options would be subject to any lock-in period of **6 months** after such Exercise except such restrictions as prescribed under the Applicable Laws.

**15. Right of First Refusal**

- 15.1 Barring the requirement to sell the Shares during the Liquidity Events, in case an Employee intends to or is required to transfer Shares to any person ("**Intended Transferee**") which were allotted/ transferred to him under the Plan, the Shareholders ("**ROFR Holders**") as on date of receipt of notice by the Committee, shall have the right of first refusal over such Shares.
- 15.2 The Employee has to intimate his intention of transfer to the Board along with details namely the number of Shares to be transferred, particulars of the Intended Transferee, the consideration and other details as may be required by the Board.
- 15.3 The Board shall intimate the details of such intended transfer ("**ROFR Offer**") to the ROFR Holders. The ROFR Offer may be accepted by the ROFR Holders to purchase Shares inter se in the proportion of their respective shareholding in the equity share capital of the Company as on date of receipt of intimation by the Board.
- 15.4 In case any one or more of the ROFR Holders do not wish to acquire such Shares in full or in part of their respective entitlement, the rest of the willing ROFR Holders may acquire such Shares in the ratio of their respective shareholding or as agreed among themselves in the Company.
- 15.5 In case the right of first refusal is intended to be exercised by the ROFR Holders, such exercise has to be done within a period of 45 days from the date of intimation of such ROFR Offer by the Board.

15.6 The consideration shall be lower of following:

- (i) The Fair Market Value of Share prevailing as on date of intimation of such intended transfer by the Employee to the Board; or
- (ii) The amount of consideration intimated to the Board.

15.7 In case of failure to exercise such right within this period, the ROFR Offer shall be deemed to lapse and the Employee may transfer the Shares to the Intended Transferee subject to approval of the Board.

## **16. Restriction on transfer of Options**

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

16.2 Options shall not be transferable to any person except in the event of death or Permanent Incapacity of the Option Grantee, in which case provisions at Sub-clause 8.2(b) would apply.

16.3 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 or Permanent Incapacity of the Option Grantee, in which case provisions at Sub-clause 8.2(b) would apply.

## **17. Other Terms and Conditions**

17.1 Listing of Shares

In case of Listing, the Committee is authorized to do such acts, deeds and things including but not limited to amendment of this Plan to make the Plan compliant of any Applicable Laws prevailing at that time including imposition of lock-in restrictions for certain classes of Employees.

17.2 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 allotted on Exercise of such Option.

17.3 Nothing herein is intended to or shall give the Option 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 Option Grantee exercises the Option and becomes a registered holder of the Shares of the Company.

17.4 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. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with Sub-clause 4.2(f) of the Plan.

## **18. Deduction/Recovery of Tax**

18.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this Plan and the Shares issued 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 and its Subsidiary(ies) Company, as the case may be, working abroad, if any.

18.2 The Company shall have the right to deduct from the Employee's salary or recover any tax that is required to be deducted or recovered under the Applicable Laws. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.



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

**19. Authority to vary terms**

Subject to the prior approval of the Shareholders of the Company and Applicable Laws, the Committee may, if it deems necessary, vary the terms of the Plan, including pursuant to meeting any regulatory requirements, for the purpose of efficient implementation and administration of the Plan.

**Provided that** no such variation shall have a detrimental effect on the interest of the existing Option Grantees.

**20. Miscellaneous**

**20.1 Government Regulations**

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

**20.2 Inability to obtain authority**

The inability of the Company to obtain authority 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 from any and all liability in respect of the failure to issue or sell such Shares.

- 20.3 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.

- 20.4 The rights granted to an Option Grantee upon the Grant of an Option shall not accord 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).

- 20.5 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.

- 20.6 Participation in the Plan shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the Fair Market Value of the Shares and the risks associated with the investments are that of the Option Grantee alone.

**21. Notices**

- 21.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this Plan shall be in writing. The communications shall be made by the Company in any one or more of the following ways:

- i. Sending communication(s) to the address of the Option Grantee available in the records of the Company; and/ or
- ii. Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; and/ or

- iii. Emailing the communication(s) to the Option 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 Option Grantee after cessation of employment.
- 21.2 All notices of communication to be given by an Option Grantee to the Company in respect of the Plan shall be sent to the address mentioned below:

**Designation:** Ast. General Manager

**Department :** HR

**Address:** JK Urbanscapes Developers Limited

Kamla Tower, Kanpur, Uttar Pradesh, India – 208001

**E-mail:** [amit.kumar@jkorg.co.in](mailto:amit.kumar@jkorg.co.in)

## **22. Nomination**

The Employee has to nominate a person as his/her nominee. The nominee in case of death or Permanent Incapacity of an 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.

## **23. Accounting and Disclosures**

- 23.1 The Company shall follow the rules/regulations applicable to accounting of Options with reference to fair value as on date of Grant.
- 23.2 The rules/regulations to be followed shall include but not limited to the IND AS/ Guidance Note on Accounting for employee 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.

## **24. Governing Laws**

- 24.1 The terms and conditions of the Plan shall be governed by and construed in accordance with the laws of India including the Income Tax Laws and Foreign Exchange Laws mentioned below.
- 24.2 **Income Tax Laws**  
The provisions of the Income Tax Act, 1961 and Rules made thereunder as amended and enacted from time to time shall be applicable in respect of taxability of Employees and the Company arising out of any transaction in the Options.
- 24.3 **Foreign Exchange Laws**  
In case any Options are granted to any Employee being resident outside India belonging to the Company, 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 in connection with grant, vest, Exercise of Options and allotment of Shares thereof.

**25. Jurisdiction**

- 25.1 The Courts in Kanpur, Uttar Pradesh, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this Plan.
- 25.2 Nothing in this Sub-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.

**26. 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 the 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.

**27. Confidentiality**

- 27.1 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. 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.
- 27.2 On acceptance of the Grant of Option 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 Plan-----