

NOTICE

Notice is hereby given that an Extraordinary General Meeting of the members of the Kirloskar Solar Technologies Private Limited will be held on Tuesday, 26th October, 2021 at 4:30 p.m. at the registered office of the Company situated at Training Centre Facility, Laxmanrao Kirloskar Road Khadki Pune - 411003 to transact the following business:

SPECIAL BUSINESS

1. To Approve "Kirloskar Solar Technologies Private Limited - Employee Stock Option Plan 2021".

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, subject to such other rules, regulations, and acts applicable from time to time, subject to such other approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be required from the appropriate regulatory authorities / institutions or bodies and subject to such conditions and modifications as maybe prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the Members of the Company be and is hereby accorded respectively to the 'Kirloskar Solar Technologies Private Limited - Employee Stock Option Plan 2021' ("ESOP 2021") and to the Board of Directors of the Company to create, issue, offer, and grant up to 1,50,00,000 (One Crore Fifty Lakhs only) employee stock options to the eligible employees of the Company, in one or more tranches, from time to time, representing [25%] of the pre-issued and paid up share capital of the Company, exercisable in aggregate into not more than 1,50,00,000 (One Crore Fifty Lakhs only) equity shares of the Company, with each such option exercisable for one equity share of a face value of Re. 1/- each fully paid-up on payment of the requisite exercise price and applicable taxes to the Company, and on such terms and conditions as may be determined by the Board in accordance with the provisions of the ESOP 2021 and provisions of applicable law as may be prevailing at that time."

"RESOLVED FURTHER THAT subject to the terms stated herein, the equity shares allotted pursuant to the aforesaid ESOP 2021 shall rank *pari passu* in all respects with the then-existing equity shares of the Company."

"RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, the Board be and is hereby authorized to do all acts, deeds, matters and things as it may deem fit in its absolute discretion and permitted under applicable laws to make a fair and reasonable adjustment to the options granted earlier including the issue of any additional equity shares by the Company to the option grantees and the aforesaid ceiling of the employee stock option/ equity shares shall be deemed to increase to the extent of such additional equity shares issued."

"RESOLVED FURTHER THAT in case the equity shares of the Company are either subdivided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the plan shall automatically stand augmented or reduced, as the

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CIN: U29308PN2016PTC167173

case may be, in the same proportion as the present face value of Re. 1/- per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees."

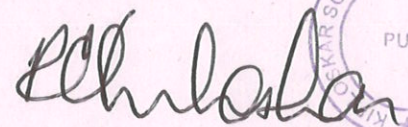
2. To Grant Stock options to Mr. Uday Yeshwant Bhende, Managing Director of the Company.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provision of the Memorandum of Association and the Articles of Association of the Company, subject to such other rules, regulations and Acts applicable from time to time and subject to the approvals, consents, permissions, sanctions, as may be required from the appropriate regulatory authorities / institutions or bodies and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to create, issue, offer and grant upto 1,50,00,000 (One Crore Fifty Lakhs) employee stock options to **Mr. Uday Bhende**, Managing Director of the Company in one or more tranches, exercisable in aggregate into not more than 1,50,00,000 (One Crore Fifty Lakhs) equity shares of the Company, with each such option exercisable for one equity share having face value of Re. 1/- each fully paid-up representing up to 20% (Twenty per cent) of the post-issue and paid-up share capital of the Company on payment of the requisite exercise price and applicable taxes to the Company, and on such terms and conditions as may be determined by the Board in accordance with the provisions of the ESOP 2021 and provisions of applicable law as may be prevailing at that time."

"RESOLVED FURTHER THAT to give effect to the above Resolutions, Mr Atul Kirloskar and Mr Rahul Kirloskar, Directors of the Company be and are hereby jointly and/ or severally authorized to issue the grant letter to Mr Uday Bhende in accordance with the terms and conditions of the ESOP 2021 and do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary to give effect to this resolution and to settle all questions, difficulties or doubts that may arise in this regard."

By Order of the Board of Directors



Rahul Kirloskar
Director

DIN: 00007319

Address: Training Centre Facility,
Laxmanrao Kirloskar Road Khadki Pune - 411003

Date: 26.10.2021

Place: Pune

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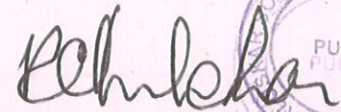
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CIN: U29308PN2016PTC167173

NOTES:

- i. A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten per cent of the total share capital of the Company.
- ii. The instrument appointing a proxy, duly executed and properly stamped should be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for holding the meeting.
- iii. Proxies shall not have any right to speak at the meeting.
- iv. A statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business is annexed.
- v. The documents relating to the items of Special Business are available for inspection by the members of the Company at its Registered Office between 11:00 a.m. to 01:00 p.m. on any working day of the Company.

By Order of the Board of Directors



Rahul Kirloskar
Director
DIN: 00007319

**Address: Training Centre Facility,
Laxmanrao Kirloskar Road Khadki Pune - 411003**

**Date: 26.10.2021
Place: Pune**

Explanatory Statement
(Under Section 102 of the Companies Act, 2013)

The Company appreciates the critical role its employees play in organizational growth. It strongly feels that the value created by its employees should be shared with them. To promote the culture of employee ownership and as well as to incentivize senior and critical talents, the Company is intending to issue employee stock options under 'Kirloskar Solar Technologies Private Limited - Employee Stock Option Plan 2021 ("ESOP 2021" / "Plan")' to the employees and Directors of the Company, as determined from time to time.

As per prevailing rules, approval of the members is required for the implementation of the ESOP 2021.

Particulars as required under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 are given below:

Item No.: 1

To Approve 'Kirloskar Solar Technologies Private Limited Employee Stock Option Plan 2021'

a. Brief Description of the Plan

The Company proposes to introduce the ESOP 2021 with an objective to reward its eligible employees of the Company that would lead to higher corporate growth. After vesting of options, the eligible employees earn a right (but no obligation) to exercise the vested options within the exercised period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Board of Directors of the Company ("Board") shall constitute a committee administer ESOP 2021 which shall at all times comprise members older than any option grantee ("**Committee**"). All questions of interpretation of the ESOP 2021 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in ESOP 2021.

b. The total number of options to be granted:

A total of 1,50,00,000 (One Crore Fifty Lakhs only) options would be available for being granted to the eligible employees of the Company under ESOP 2021. Each option when exercised would be converted into one equity share of the face value of Re. 1/- each fully paid-up.

In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment will be made to the options granted. Accordingly, if any additional equity shares are required to be issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of options/ equity shares as aforesaid shall be deemed to increase to the extent of such additional equity shares issued.

c. Identification of classes of employees entitled to participate in the ESOP 2021:

The class of employees entitled to participate in ESOP 2021 shall be as follows:

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- i. a permanent employee of the Company who has been working in India or outside India
- ii. A director of the Company, whether a whole-time director or not but excluding an independent director,
- iii. an employee as defined in clause (i) or (ii) of a subsidiary, in India or outside India, or of a holding company of the Company, but does not include:

- 01. an employee who is a promoter or a person belonging to the promoter group; or
- 02. a director who either himself or through his relative or through any Body Corporate, directly or indirectly, holds more than 10% (ten per cent) of the outstanding equity shares of the Company.

ESOPs may be granted to such employees as decided by the Board in compliance with the applicable laws from time to time.

d. Appraisal Process for determining the eligibility of the employees to Employee Stock Options:

The options shall be granted to the eligible employees on various parameters, such as length of service, grade, performance, technical knowledge, leadership qualities, merit, contribution and conduct, future potential, etc., and such other factors as may be deemed appropriate by it.

e. Requirements of vesting and period of vesting:

The options granted shall vest so long as the option grantee continues to be in the employment of the Company, including with the subsidiaries or holding company, as the case may be. In addition to this, the Board may also specify certain performance criteria subject to satisfaction of which the Options would vest.

The vesting period of options granted shall vest in not earlier than 1 (one) year and not more than 3 (three) years from the date of grant of such options.

f. The maximum period within which the options shall be vested:

The options granted shall vest in not more than 3 (three) years from the date of grant of such options.

g. Exercise price or pricing formula:

The Exercise Price per Option shall be the face value of equity shares ie. Re. 1 or as may be determined by the Board.

h. Exercise Period and the process of exercise:

All Vested Options can be exercised by the option grantee within the 2 (two) years from the date of Vesting of Options as described in ESOP 2021 or such other period, as may be determined by the Board.

The Options will be exercisable by the option grantee by a written application to the Company to exercise the Options in such manner, and on execution of such documents, as may be prescribed by the Board from time to time.

i. Lock-in period:

The shares issued pursuant to exercise of options shall be subject to such lock-in period restriction as may be prescribed under any policy of the Company on disposal of Company

securities, provisions of applicable laws particularly after listing of securities of the Company or any agreement entered into between the option grantee and the promoters of the Company.

j. The maximum number of options to be issued per employee and in aggregate:

The number of options that may be granted to the eligible employees under the ESOP 2021 shall not exceed 1,50,00,000 (One Crore Fifty Lakhs only) shares of the face value of Re. 1 each, representing [25%] of the pre-issued and paid-up capital of the Company.

k. Method of option valuation:

To calculate the employee compensation cost, the Company shall use the Intrinsic Value Method for valuation of the options granted.

In case the Company calculates the employee compensation cost using the Intrinsic Value of the stock options, the difference between the employee compensation cost so computed and the cost that shall have been recognized if it had used the Fair Value of the options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.

l. The conditions under which option vested in the option grantee may lapse:

1) While in employment/ service

The vested options not exercised by the option grantee within the period of 2 (two) years from the date of vesting of options or such other period, as may be determined by the Board, shall lapse immediately on expiry of the said period of 2 (two) years or such other period, as may be determined by the Board and the Option Grantee shall have no recourse over such lapsed Options and shall not claim any rights in respect of such Options.

2) In case of separation from employment/ service

Sr. No.	Separations	Vested Option	Unvested Options
1.	Resignation/ Termination (Other than due to misconduct)	All the Vested Options as on date of submission of resignation/ date of termination shall be exercisable by the Option Grantee within 730 (Seven Hundred and Thirty) days from the date of such resignation/ termination or such other period, as may be determined by the Board and specified in the Grant Letter. The Vested Options not exercised by the Option Grantee within the aforesaid period shall lapse immediately on expiry of the said period of 730 (Seven Hundred and Thirty) or such other period, as may be determined by the Board and specified in the	All the Unvested Options on the effective date of resignation/date of termination shall stand cancelled with effect from that date, unless determined otherwise by the Board

		Grant Letter and the Option Grantee shall have no recourse over such lapsed Options and shall not claim any rights in respect of such Options unless otherwise determined by the Board.	
2.	Termination due to misconduct	All the Vested Options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination unless otherwise determined by the Board.	All the Unvested Options on the date of such termination shall stand cancelled with effect from the termination date.
3.	Retirement	All the Vested Options as on date of Retirement can be exercised by the Option Grantee within 730 (Seven Hundred and Thirty) days from the date of such retirement or such other period, as may be determined by the Board and specified in the Grant Letter. The Vested Options not exercised by the Option Grantee within the aforesaid period shall lapse immediately on expiry of the said period of 730 (Seven Hundred and Thirty) days or such other period, as may be determined by the Board and specified in the Grant Letter and the Option Grantee shall have no recourse over such lapsed Options and shall not claim any rights in respect of such Options unless otherwise determined by the Board.	All the Unvested Options on the date of such retirement shall vest immediately and may be exercised by the Option Grantees in the manner prescribed in Vested Options subject to a minimum vesting period of one year.
4.	Death	All the Vested Options may be exercised by the Option Grantee's nominee within a period of 365 (Three Hundred and Sixty Five) days from the date on which the Option Grantee dies or such other period, as may be determined by the Board and specified in the Grant Letter. The Vested Options not exercised by the nominee of the Option Grantee within the aforesaid period shall lapse immediately on expiry of the said	All the Unvested Options as on the date of death shall vest immediately and may be exercised by the Option Grantee's nominee in the manner prescribed for the Vested Options.

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		period of 30 (thirty) days or such other period, as may be determined by the Board and specified in the Grant Letter and the nominee shall have no recourse over such lapsed Options and shall not claim any rights in respect of such Options unless otherwise determined by the Board.	
5.	Permanent Incapacity	All the Vested Options may be exercised by the Option Grantee within such period as decided by the Board but not less than 180 days from the date of such permanent incapacitation. The Vested Options not exercised by the Option Grantee within the period decided by the Board shall lapse immediately on expiry of the said period and the Option Grantee shall have no recourse over such lapsed Options and shall not claim any rights in respect of such Options unless otherwise determined by the Board.	All the Unvested Options as on the date of incurring Permanent Incapacity shall vest immediately and may be exercised by the Option Grantee in the manner prescribed for the Vested Options.
6.	Abandonment of employment	All the Vested Options shall stand cancelled. The date of cancellation of such Options shall be determined by the Board which shall be final and binding.	All the Unvested Options shall stand cancelled. The date of cancellation of such Options shall be determined by the Board which shall be final and binding.
7.	Any other reasons apart from those mentioned above	The Board in its sole discretion shall decide the treatment of Vested Options and such decision shall be final and binding.	The Board in its sole discretion shall decide the treatment of the Unvested Options and such decision shall be final & binding.

m. The specified time period within which the option grantee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:

In case of resignation/ termination (other than due to misconduct) of the option grantee, all vested options as on the date of submission of resignation shall be exercisable within 180 (one hundred and eighty) days from the date of such resignation/ termination.

In the case of termination of employment due to misconduct of the option grantee, all vested options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination.

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n. Disclosure and Accounting Policies:

The Company shall comply with the disclosure and the accounting policies prescribed as per prevailing accounting guidelines and upon listing of securities of the Company, the Company shall comply with the accounting policies and disclosure requirements as prescribed under applicable law including under Regulation 15 of the SEBI (Share Based Employee Benefits) Regulations, 2014.

As the ESOP 2021 provides for the issue of shares to be offered to persons other than existing shareholders of the Company, consent of the members is being sought pursuant to Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 by way of a special resolution.

A draft copy of the ESOP 2021 is available for inspection at the Company's Registered Office during office hours on all working days till the date of the Extra Ordinary General Meeting.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in this resolution, except to the extent of the securities that may be offered to them under the ESOP 2021.

The Board recommends the Special Resolution as set out at Item No. 1 of the accompanying Notice for the approval of the members.

Item No.: 2

Approval of grant of Options equal to or exceeding 1% of the Issued Capital to Mr Uday Bhende

Members are requested to note that considering the important contribution made by Mr Uday Bhende, Managing Director of the Company, in the growth of the Company, the Board of Directors of the Company, approved the grant of up to 1,50,00,000 (One Crore Fifty Lakhs only) employee stock options to Mr Uday Bhende, in one or more tranches, exercisable in aggregate into not more than 1,50,00,000 (One Crore Fifty Lakhs only) equity shares of the Company, with each such option exercisable for one equity share of a face value of Re. 1/- each fully paid-up representing up to 20% (twenty per cent) of the post-issue and paid-up share capital of the Company on payment of the requisite exercise price and applicable taxes to the Company, and on such terms and conditions as may be determined by the Board in accordance with the provisions of the ESOP 2021 and provisions of applicable law as may be prevailing at that time.

None of the Directors, Key Managerial Person, or their relatives is concerned or interested in this resolution except to the extent and manner set out in the resolution,

The Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, prescribes that approval from the shareholders by way of a separate resolution shall be obtained for grant of options to the identified employees of the Company, which equals to or exceeds 1% of the issued capital (excluding outstanding warrants and conversion) of the Company as on the date of grant.

In view of the above, the Directors recommend the resolution for your approval.

By Order of the Board of Directors



Rahul Kirloskar
Director

DIN: 00007319

**Address: Training Centre Facility,
Laxmanrao Kirloskar Road Khadki Pune - 411003**

Date: 26.10.2021
Place: Pune

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U29308PN2016PTC167173

Name of the Company: Kirloskar Solar Technologies Private Limited

Registered office: Training Centre Facility, Laxmanrao Kirloskar Road, Khadki, Pune 411 003

I/We, being the member (s) of shares of the above-named company, hereby appoint

1. Name: _____

Address: _____

E-mail Id: _____

Signature: _____, or failing him

2. Name: _____

Address: _____

E-mail Id: _____

Signature: _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra Ordinary General Meeting of the company, to be held on the Tuesday, 26th October, 2021 at 4:30 p.m. at the registered office of the Company at Training Centre Facility, Laxmanrao Kirloskar Road, Khadki, Pune 411 003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To Approve "Kirloskar Solar Technologies Private Limited - Employee Stock Option Plan 2021".
2. To Grant Stock options to Mr. Uday Yeshwant Bhende, Managing Director of the Company

**Please affix
Revenue Stamp**

Signed this _____ day of October, 2021

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Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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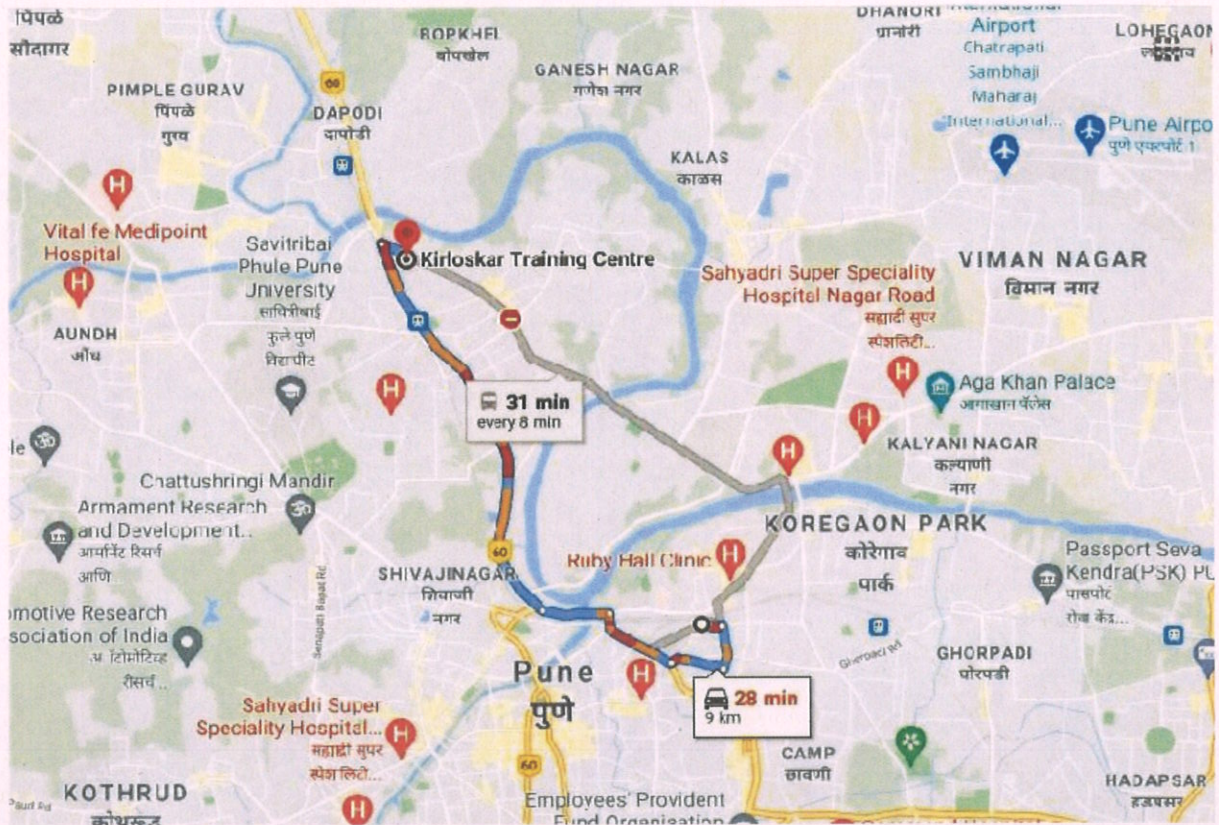
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ROUTE MAP



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