

AS PER THE DISCLOSURE REQUIREMENT SPECIFIED UNDER SEBI SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY REGULATIONS, 2021 AND SECTION 62(1)(B) OF THE COMPANIES ACT, 2013 READ WITH RULE 12(9) OF THE COMPANIES (SHARE CAPITAL & DEBENTURES) RULES, 2014, THE FOLLOWING INFORMATION IS DISCLOSED IN RESPECT OF EMPLOYEE STOCK BENEFIT

DETAILS OF THE ESOPS AS PER REGULATION 14 OF SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

Our Company has two existing ESOP Schemes namely ESOS-2017 and ESOS-2020. There were no variations in terms of the ESOS Schemes in FY 2022-23 except as given below:

Variation in terms of ESOS 2017 - Change in Vesting Condition: In case of ESOS 2017, the members of the Company vide AGM, results of which were declared on September 29, 2021, approved the change in vesting schedule of outstanding 40,00,000 options as on August 14, 2021 from 25%, 25%, 25% and 25% of the total options to vest on completion of 1(one) year, 2(Two) years, 3(Three) years and 4(Four) years respectively from the date of grant of such options to 100% vesting after 1(one) year of grant of options.

- A. Disclosures in terms of the 'Guidance Note on Accounting for Employee Share - based Payments' issued by ICAI or any other relevant Accounting Standards prescribed from time to time:** Refer Note No. 28 forming part of the standalone financial statements and Note No. 28 of the consolidated financial statements for the financial year 2022-23. Please note that the said disclosure is provided in accordance with Indian Accounting Standards (Ind AS) 102 – Share Based Payment.
- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as issued from time to time:** Refer Note No. 25 forming part of the standalone financial statements and Note No. 28 of the consolidated financial statements for the financial year 2022-23. Please note that the said disclosure is provided in accordance with Indian Accounting Standards (Ind AS) 33 – Earnings per share.
- C.**
- i. Details of the existing scheme i.e Employee Stock Options Scheme, 2017 ("ESOS 2017") and Employee Stock Options Scheme, 2020 ("ESOS 2020") are summarized as under:**

Sr. No	Particulars	Details of ESOS 2017	Details of ESOS 2020
a)	Date of shareholders' approval	May 24, 2017*;	August 08, 2020
b)	Total number of options approved under ESOS	1,60,00,000	1,60,00,000
c)	Vesting requirements	Options to vest on completion of 1 (one) year from the date of grant of such options (earlier 25%, 25%, 25% and 25% of the total options to vest on completion of 1(one) year, 2(Two) years, 3(Three) years and 4(Four) years respectively from the date of grant of such options). Further, the Nomination and Remuneration Committee of the Board of Director of the Company, in its absolute discretion can determine the vesting requirements pertaining to ESOS 2017.	25%, 25%, 25% and 25% of the total options to vest on completion of 3(three) years, 4(four) years, 5(five) years and 6(six) years respectively from the date of grant of such options. Further, the Nomination and Remuneration Committee of the Board of Director of the Company, in its absolute discretion can determine the vesting requirements pertaining to ESOS 2020.
d)	Exercise price or pricing formula	The exercise price shall be the Market Price of the equity shares or at such discount to the Market Price of the Equity Shares as may be determined by the Board but shall not be less than the face value per share.	The exercise price shall be the Market Price of the equity shares or at such discount to the Market Price of the Equity Shares as may be determined by the Board but shall not be less than the face value per share.
e)	Maximum term of options granted	Pursuant to change in vesting condition of ESOS 2017, Options granted would vest after 1 year from the date of grant and can be exercised within 1 year of date of vesting. Hence, maximum term of options granted is 2 years.	Options granted would vest for a period ranging from 3 years to 6 years as stated in point d) above and can be exercised within 1 year of vesting. Hence, maximum term of options granted is 7 years.
f)	Source of shares (primary, secondary or combination)	Secondary	Secondary
g)	Variation in terms of options	The Shareholders of the Company vide	No variation during the year



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		AGM, results of which were declared on September 29, 2021, approved the change in vesting schedule of outstanding 40,00,000 options as on August 14, 2021 from 25%, 25%, 25% and 25% of the total options to vest on completion of 1(one) year, 2(Two) years, 3(Three) years and 4(Four) years respectively from the date of grant of such options to 100% vesting after 1(one) year of grant of options.	
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*Further approvals for Variations in Exercise Price: March 15, 2019 and September 08, 2020 and Change in Vesting Condition: September 28, 2021

- ii. **Method used to account for ESOS:** The Company has calculated the employee compensation cost using the fair valuation method of accounting for the Options granted under the Scheme.
- iii. **Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed:** The Company has calculated the employee compensation cost using the fair value method
- iv. **Option movement during the year:**

Sr. No	Particulars	ESOS 2017	ESOS 2020
a)	Number of options outstanding at the beginning of the period	80,00,000	1,60,00,000
b)	Number of options granted during the year	Nil	Nil
c)	Number of options forfeited / lapsed during the year	Nil	Nil
d)	Number of options vested during the year	Nil	Nil
e)	Number of options exercised during the year	Nil	Nil
f)	Number of shares arising as a result of exercise of options	Nil	Nil
g)	Money realized by exercise of options (INR), if scheme is implemented directly by the company	Nil	Nil
h)	Loan repaid by the Trust during the year from exercise price received	NA	NA
i)	Number of options outstanding at the end of the year	Nil	1,60,00,000
j)	Number of options exercisable at the end of the year	Nil	Nil

- v. **Weighted-average exercise prices (in Rs.)**

ESOS 2017	ESOS 2020
a) Grant of 1,60,00,000 options in 2017 – Rs. 28/- b) Exercise price for outstanding 1,20,00,000 options in March 2019 pursuant to 1 st re-pricing– Rs. 15/- c) Exercise Price for outstanding unvested 80,00,000 options in September 2020 pursuant to re-pricing – Rs. 10/-	Grant of options in 2020: Rs. 10 per Option

Weighted-average fair values of options (in Rs.)

ESOS 2017	ESOS 2020
The weighted average fair value of each option of the grant is Rs.8.53/-	The weighted average fair value of each option of the grant is Rs.5.23/-

- vi. **Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to:-**
 - a) Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of

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India (Listing Obligations and Disclosure Requirements) Regulations, 2015; - NA

- b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year;

Employee Stock Option Scheme	Name of the Employee	Designation	Number of Options Granted	Exercise Price
ESOS 2017	Dr. Santosh Sundararajan	Whole Time Director and Group CEO	1006250	15
ESOS 2020	-	-	-	-

- c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant:
For ESOS 2017

Employee Stock Option Scheme	Name of the Employee	Designation	number of options granted	exercise price
ESOS 2017	Dr. Santosh Sundararajan	Whole Time Director and Group CEO	1006250	15
ESOS 2020	-	-	-	-

vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

- a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model:

ESOS 2017		ESOS 2020	
The fair value of the stock option is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values.		The fair value of the stock option is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values.	
Share price at grant date	29.55	Share price at grant date	9.75
Exercise price	15	Exercise price	10
Expected volatility	68.00%	Expected volatility	68.11%
Expected Options / Option Life	4 year from the date of vesting	Expected Options / Option Life	1 year from the date of vesting
Expected Dividend Yields	0%	Expected Dividend Yields	2%
Risk-free interest rate (based on Govt bonds)	6.70%	Risk-free interest rate (based on Govt bonds)	5.90%

- b) the method used and the assumptions made to incorporate the effects of expected early exercise; **The Binomial Lattice model used for ESOS valuations. There are various assumptions including Expected Volatility, Exercise Factor, Dividend Yeild, Risk Free interest rate, Expected life of Grant and Strike Price.**
- c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; **The expected volatility is the amount by which a company anticipates its share price will fluctuate over time, and is a key input in option valuation models. Volatility estimates can be based on historical price data, or measured on an implied basis using data from the company's publicly-traded options. A combination of implied and historical volatility data should ideally be used in estimating volatility.**
- d) Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition: **A lattice model produces estimates of fair value based on assumed changes in share prices over successive periods of time.**

Disclosures in respect of grants made in three years prior to IPO under each ESOS

Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made.: **NA**