

Disclosure pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

The details of stock options as on 31st March 2022 under Greaves Cotton - Employees Stock Option Plan 2020 ("ESOP 2020") are given below:

- A. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time:**

Members may please refer note no. 16A of the audited financial statements for the financial year 2021-22.

- 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 Central Government or any other relevant accounting standards as issued from time to time:**

Diluted EPS for financial year 2021-22 is Rs. 1.16 per share

- C. Details related to Greaves Cotton – Employee Stock Option Plan 2020 (ESOP 2020)**

- (i) The description of the existing scheme is summarized as under –

Sr. No.	Particulars	ESOP 2020
1	Date of shareholders' approval	11 th July 2020 (Through Postal Ballot notice dated 11 th June 2020).
2	Total number of options approved	46,24,135
3	Vesting Requirements	The options would vest not earlier than 1 year and not later than 7 years from the date of individual grant of options
4	Exercise Price (Rs.)	2.00 per option
5	Maximum term of options granted	8 years from the date of grant
6	Sources of shares	Primary
7	Variation in terms of options	Not Applicable
8	Method used for accounting of ESOP	Fair Value Method
9	Where the Company opts for expensing of the options using the intrinsic value of the stock, the difference between the employee compensation cost so calculated and the employee compensation cost that shall have been recognised if it had used the fair value of the option, shall be disclosed. The impact of this difference on the profits and EPS of the company shall also be disclosed	Not Applicable

(ii) The movement of options during the year are as follows:

Sr. No.	Particulars	ESOP 2020
1	No. of options outstanding at the beginning of the year	21,28,694
2	No. of options granted during the year	1,53,976
3	No. of options forfeited / lapsed during the year	2,32,881
4	No. of options vested during the year	3,14,497
5	No. of options exercised during the year	3,14,497
6	No. of shares arising as a result of exercise of options	3,14,497
7	Money realised by exercise of options during the year (Rs.)	6,28,994
8	Loan repaid by the trust during the year from the exercise price received	N.A.
9	No. of options outstanding at the end of the year	17,35,292
10	No. of options exercisable at the end of the year	NIL

(iii) Employee-wise details of options granted during the financial year 2021-22 to:

a) Senior Managerial Personnel

Name of employee	Designation	No. of options granted	Exercise price (Rs.)
Mr. Venkata Satya Vijay Kumar Yegireddi	CEO-Retail Solutions	1,53,976	2.00

b) Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year

Name of employee	No. of Options granted
Mr. Nagesh Basavanhalli	12,16,397
Mr. Ajit Venkataraman	2,43,279
Mr. Dalpat Jain	2,43,279
Mr. Sunil Shahi*	2,43,279
Ms. Shefali B Suri	1,82,460
Mr. Venkata Satya Vijay Kumar Yegireddi	1,53,976

*resigned w.e.f. 26th October 2021

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.

NIL

(iv) Weighted average fair value of options granted during the year whose –

Particulars	ESOP 2020
Exercise price equals market price	Nil
Exercise price is greater than market price	Nil
Exercise price is less than market price	Rs. 129.89 per option

Weighted average exercise price of options granted during the year whose –

Particulars	ESOP 2020
Exercise price equals market price	Nil
Exercise price is greater than market price	Nil
Exercise price is less than market price	Rs. 2.00 per share

(v) Method and significant assumptions used to estimate the fair value of options granted during the year:

Particulars	ESOP 2020
1.Risk Free Interest Rate	6.23%
2.Expected Life (in years)	5.6 Years
3.Expected Volatility	81.94%
4.Expected Dividend Yield	Rs. 0.20 per option
5. Price of the underlying share in market at the time of the option grant.	Rs. 131.40 per share
6. Weighted average share price at the date of exercise of stock options exercised during the year	Rs. 202.68 per share
Volatility is the measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the binomial option pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. For calculating volatility, the daily volatility off the stock prices on the National Stock Exchange, over a period prior to the date of grant, corresponding with the expected life of the options has been considered. The expected life is considered as average of the minimum and maximum life of the options. There are no market conditions attached to the grant and vest.	

(vi) Disclosures in respect of grants made in three years prior to IPO under each ESOS:
Not Applicable.