

## DETAILS OF ESOP

### Disclosure pursuant to Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as on 31<sup>st</sup> March 2021

S. No.	Particulars	Details
A.	Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments-- Earnings per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	The disclosures are provided in Note no. 45 of the Notes to Standalone Financial Statements of the Company for the year ended 31 <sup>st</sup> March 2021
B.	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with Indian Accounting Standard 33 issued by ICAI or any other relevant accounting standards as prescribed from time to time.	₹ 3.28 per share
C.	Details related to Employee Stock Option Scheme-2020 (ESOP-2020)	
(i)	A description of ESOP-2020 that existed at any time during the year, including the general terms and conditions of ESOP-2020, including -	
(a)	Date of shareholders' approval	30 <sup>th</sup> September 2020
(b)	Total number of Options approved	*3,342,672 (Three million three hundred forty-two thousand six hundred seventy-two)  *Includes 3,064,116 (Three million sixty four thousand one hundred sixteen) additional Options consequent to adjustments due to the issuance of bonus shares undertaken by our Company
(c)	Vesting requirements	The Options granted under ESOP-2020 shall vest in equal proportions or such other proportion as may be determined by the Compensation Committee at the time of Grant, on the first (1 <sup>st</sup> ), second (2 <sup>nd</sup> ), and third (3 <sup>rd</sup> ) anniversary of the Date of Grant (Vesting Schedule)  A particular Vesting, as on a Vesting Date, shall be invalid (and the Options subject to such Vesting shall lapse) if the Employee is not in service of the Company (and/or the relevant subsidiary), either as a director or an Employee, as relevant, as on the Vesting Schedule
(d)	Exercise Price or pricing formula	₹ 38.34
(e)	Maximum term of Options granted	Thirty-Six (36) months from the date of Vesting in accordance with the Vesting Schedule, within which the Employee may exercise the right to apply for Shares against the Vested Options
(f)	Source of shares (primary, secondary or combination)	Primary
(g)	Variation in terms of Options	The Compensation Committee (which power is bestowed on Nomination and Remuneration Committee) may, pursuant to an approval of the shareholders of the Company by special resolution passed at a general meeting, at any time and from time to time revoke, add to, alter, amend or vary all or any of the terms and conditions of the ESOP-2020, as approved by the shareholders, provided that no variation, alteration, addition or amendment to ESOP-2020 may be made if it is detrimental to the interest of an ESOP Grantee, unless such variation, alteration, addition or amendment is required to comply with applicable laws
(ii)	Method used to account for ESOP-2020 - Intrinsic or fair value.	Fair Value
(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.	Not applicable as the Company has calculated Employee compensation cost using fair value method
(iv)	Option movement during the year (For ESOP-2020):	
(a)	Number of Options outstanding at the beginning of the period	NA
(b)	Number of Options granted during the year	3,263,220* (Three million two hundred sixty-three thousand two hundred twenty)  *It includes 2,991,285 (Two million nine hundred ninety one thousand two hundred eighty five) additional bonus options granted consequent to adjustments due to the issuance of bonus shares undertaken by our Company.
(c)	Number of Options forfeited / lapsed during the year	Nil
(d)	Number of Options vested during the year	Nil

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(e)	Number of Options Exercised during the year	Nil																																
(f)	Number of shares arising as a result of exercise of Options	Nil																																
(g)	Money realized by exercise of Options (INR), if scheme is implemented directly by the company	Nil																																
(h)	Loan repaid by the Trust during the year from Exercise Price received	NA																																
(i)	Number of Options outstanding at the end of the year	3,263,220 (Three million two hundred sixty three thousand two hundred twenty)																																
(j)	Number of Options exercisable at the end of the year	Nil																																
(v)	Weighted-average Exercise Prices and weighted-average fair values of Options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Not applicable, no Options were exercised during the year 2020-21.																																
(vi)	Employee wise details (name of Employee, designation, number of Options Granted during the year, Exercise Price) of Options Granted to -	Refer Note 1 below																																
(a)	Senior Managerial Personnel	Refer Note 1 below																																
(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; and	Nil																																
(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																																
(vii)	A description of the method and significant assumptions used during the year to estimate the fair value of Options including the following information:	The fair value of Options Granted under ESOP-2020 is estimated using the Black-Scholes-Merton Model after applying the following key assumptions:																																
(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;																																	
(b)	the method used and the assumptions made to incorporate the effects of expected early Exercise;																																	
(c)	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and																																	
(d)	whether and how any other features of the Option Grant were incorporated into the measurement of fair value, such as a market condition.																																	
		<table border="1"> <thead> <tr> <th></th> <th>First Vesting</th> <th>Second Vesting</th> <th>Third Vesting</th> </tr> </thead> <tbody> <tr> <td>Share Price</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Exercise Price</td> <td>38.34</td> <td>38.34</td> <td>38.34</td> </tr> <tr> <td>Expected volatility</td> <td>46.19%</td> <td>46.63%</td> <td>46.51%</td> </tr> <tr> <td>Expected Option life</td> <td></td> <td></td> <td></td> </tr> <tr> <td>risk-free interest rate</td> <td>4.64%</td> <td>5.04%</td> <td>5.23%</td> </tr> <tr> <td>Expected Dividend Yield</td> <td>1.60%</td> <td>1.60%</td> <td>1.60%</td> </tr> <tr> <td>Term of expiry</td> <td>2.5 years</td> <td>3.5 years</td> <td>4.5 years</td> </tr> </tbody> </table>		First Vesting	Second Vesting	Third Vesting	Share Price	-	-	-	Exercise Price	38.34	38.34	38.34	Expected volatility	46.19%	46.63%	46.51%	Expected Option life				risk-free interest rate	4.64%	5.04%	5.23%	Expected Dividend Yield	1.60%	1.60%	1.60%	Term of expiry	2.5 years	3.5 years	4.5 years
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		Price of the underlying share in the market at the time of Grant of Option of ₹ 950/- (Indian rupees Nine hundred fifty) per share (prior to bonus adjustment) has been used and calculated using Comparable Companies Method (Market Approach)																																

The capitalized terms referred herein shall have the meaning ascribed to them under the Employee Stock Option Scheme-2020.

#### Note-1

Sl. No.	Employee Name	Designation	No. of Options
1	Vivek Vikram Singh	Managing Director & Group CEO	6,62,088
2	Sat Mohan Gupta	Director and CEO of Comstar Automotive	4,77,180
3	Vikram Verma Vadapalli	Chief Executive Officer - Driveline division	4,77,180
4	Kiran Manohar Deshmukh	Chief Technology Officer	83,508
5	Rohit Nanda	Group Chief Financial Officer	3,57,900
6	Ajay Pratap Singh	Vice President (Legal) & Company Secretary and Compliance Officer	1,19,304