

DISCLOSURE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014

1. **Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 including the “Guidance Note on Accounting for Employee Share-based Payments” issued by ICAI or any other relevant accounting standards as prescribed from time to time.**

Relevant details has been provided in Note no. 2.2.15 and Note No. 36 of the Notes to Financial Statements forming part of the Annual Report 2021-22 of the Company.

2. **Diluted EPS on issue of shares pursuant to all the schemes covered under the SEBI (SBEB & SE) Regulations shall be disclosed in accordance with ‘Accounting Standard 20 - Earnings Per Share’ issued by ICAI or any other relevant accounting standards as prescribed from time to time.**

Not Applicable. As per Ind AS-33 (Earnings per Share), dilution is a reduction in earnings per share from the assumption that convertible instruments are converted, that options or warrants are exercised, or that ordinary shares are issued upon the satisfaction of specified conditions.

For share options and other share-based payment arrangements to which Ind AS 102, Share-based Payment, applies, the issue price and the exercise price shall include the fair value (measured in accordance with Ind AS 102) of any goods or services to be supplied to the entity in the future under the share option or other share-based payment arrangement.

For the calculation of dilutive EPS on account of grant of employee stock options (ESOP), weighted average number of shares needs to be calculated basis formula:

Weighted average number of shares = No. of options/shares granted * (Fair value of option) / Average Market Price

Since, due to the limitations posed by the Optiemus Employee Stock Option Scheme, 2016 as disclosed in Note 2.2.15 and 36 of the Financial Statement, the fair value of option is not determinable and hence notional dilutive EPS cannot be calculated.

3. **Details Related to Optiemus Employee Stock Option Scheme - 2016 of the Company are given below:**

Sl. No.	Particulars	Optiemus Employee Stock Option Scheme-2016
1.	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS	
A	Date of shareholders' Approval	December 30, 2016
B	Total number of options approved under ESOS	42,90,709
C	Vesting requirements	The options granted shall vest based upon the performance of the Employee, as may be determined by the Nomination and Remuneration Committee from time to time but shall not be less than 1 (one) and not more than 3 (Three) years from the date

		of grant of options. Vesting may happen in one or more tranches.
D	Exercise price or pricing formula	<p>The exercise price of the share will be based upon the market price of the shares one day before the date of vesting of options or such higher price as may be decided by the Committee.</p> <p>Further, the shares are listed on more than one Stock Exchange, then the price of Stock Exchange where there is highest trading volume during the aforesaid period shall be considered.</p> <p>Discount of upto 50% may be provided on the Exercise price, as may deemed fit by the Nomination and Remuneration Committee.</p> <p>However, in any case the Exercise price shall not go below the par value of Equity Share of the Company.</p>
E	Maximum term of options granted	<p>The options granted under Scheme will vest over a maximum period of Three years from the date of grant of options.</p> <p>Further, the Options vested may be exercised by the Option Grantee within a 30 days from the date of vesting of Options.</p>
F	Source of Shares	Primary
G	Variation in terms of options	During the year, no amendment/ modification/ variation has been made in terms of options granted by the Company.
2.	Method used to account for Employee Stock Option Scheme	Fair Value Method
3.	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	Not Applicable

	difference on profits and on EPS of the company shall also be disclosed				
4.	Options movement during the year for each ESOS Schemes of the Company (FY 2022)	Number of options outstanding at the beginning of the period	42,90,709		
		Number of options granted during the year	5,00,000		
		Number of options forfeited / lapsed during the year	5,000		
		Number of options vested during the year	Nil		
		Number of options exercised during the year	Nil		
		Number of shares arising as a result of exercise of options	NA		
		Money realized by exercise of options (INR), if scheme is implemented directly by the company	Nil		
		Loan repaid by the Trust during the year from exercise price received	NA		
		Number of options outstanding at the end of the year	37,95,709		
		Number of options exercisable at the end of the year	37,95,709		
5.	Weighted average exercise prices and weighted average fair values of options shall be disclose separately granted during the year for options whose exercise price either equals or exceeds or is less than the market price of the stock:	<p>Weighted average exercise price of options: Not Applicable</p> <p>Weighted average fair value of options: Not Applicable</p>			
6.	Employee wise details (name of employee, designation, number of Options granted during the year, exercise price) of options granted during the year to-				
A.	Senior Managerial Personnel	Name of Senior Managerial Personnel	Designation	Total no. of options granted	Exercise Price
		Mr. Sanjay Mirakhur	Associate Vice President-Sales	30,000	Yet to be decided by the Committee
		Mr. Vikas Chandra	Company Secretary & Compliance officer	15,000	Yet to be decided by the

					Committee
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	Name of Employee	Designation	Total no. of options granted	Exercise Price
		Mr. Ayekawad Narayanamurthy Gururaj	Managing Director of Optiemus Electronics Limited, Wholly owned subsidiary	2,50,000	Yet to be decided by the Committee
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	None			
7.	Description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	Not Applicable as no fair value of options have been done.			
(a)	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.	Not Applicable			
(b)	The method used and the assumptions made to incorporate the effects of expected early exercise	Not Applicable, as options granted cannot be exercised before the vesting of option.			
(c)	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Not Applicable			
(d)	Whether and how any other features of the option grant were incorporated into	Not Applicable			

	the measurement of fair value, such as a market condition	
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