

ANNEXURE – 3

DISCLOSURE PURSUANT TO REGULATION 14 OF SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

The Employees Stock Option Schemes approved by the Company are in compliance with SEBI (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 ("SEBI ESOP Regulations"). During FY 2024-25, there was no variation in the Schemes which are valid as on date.

- A. 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 are disclosed in Notes to Audited Standalone Financials Statements for the year ended March 31, 2025 forming part of this annual report.
- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the SEBI ESOP regulations in accordance with "Indian Accounting Standard (Ind AS) 33 - Earnings per Share" issued by ICAI: Rs. 9.05/- (Standalone) and Rs. (2.28/-) (Consolidated) as on March 31, 2025.
- C. Details related to Employees Stock Option Schemes during FY 2024-25 are given below:

Name of the Scheme	ESOS - 2019	ESOS-2021
Date of shareholders' approval	July 24, 2019	August 25, 2021
Total number of options approved under ESOS	1,80,000	10,00,000
Total number of options granted under ESOS	16,450 Options were granted on March 24, 2020	1,31,992 Options were granted on February 9, 2022 1,98,316 Options were granted on August 4, 2022 1,43,944 Options were granted on August 3, 2023 1,02,785 Options were granted on August 1, 2024
Vesting requirements	The vesting period shall be 1 (one) year from the date of grant of options	Refer Note 2
Exercise price or pricing formula	Rs. 127 per option	<ul style="list-style-type: none"> Rs. 635 per option for options granted on February 9, 2022 Rs. 580 per option for options granted on August 4, 2022 Rs. 897 per option for options granted on August 3, 2023 Rs. 1,189 per option for options granted on August 1, 2024
	Being the average closing price of the shares during the two weeks preceding the date of grant of options or closing price of the Company's shares on the Exchange on the date prior to the date of grant of options, whichever is less. If the shares of the Company are listed on more than one Stock Exchange, the price of shares of the Company on the Stock Exchange where there is highest trading volume on the date prior to the date of grant of options shall be considered.	Refer Note 3

Name of the Scheme	ESOS - 2019	ESOS-2021
Maximum terms of options granted	The Exercise Period shall commence from the date of expiry of Vesting Period and will continue upto four (4) years thereafter.	
Source of shares (Primary, Secondary or combination)	Primary issue of shares	
Variation in terms of options	None	
Method used for accounting of ESOPs	Fair Value of options	
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 recognised if it had used the fair value of the options	NA	
The impact of this difference on profits and on EPS of the Company	NA	

D. Options movement during the year for each ESOS Schemes of the Company (FY 2024-25):

Name of the Scheme	ESOS - 2019	ESOS - 2021
Number of options outstanding as on April 1, 2024	300	3,63,840
Number of options granted during the year	-	1,02,785
Number of options forfeited / lapsed during the year	300	43,166
Number of options vested during the year	-	1,19,295
Number of options exercised during the year	-	30,930
Number of shares arising as a result of exercise of options	-	30,930
Money realised by exercise of options	Nil	Rs. 1,86,78,228/-
Loan repaid by the Trust during the year from exercise price received	NA	NA
Number of options outstanding as on March 31, 2025	NIL	3,92,529
Number of options exercisable as on March 31, 2025	NIL	1,33,565
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.		
Options whose exercise price exceeds the market price:		
- Weighted average exercise price of options granted on August 1, 2024	N.A.	Rs. 1,189
- Weighted average fair value of options granted on August 1, 2024	N.A.	Rs. 473
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:		
Weighted average share price		
- Exercise price	Rs.127	Rs. 1,189

Name of the Scheme	ESOS - 2019	ESOS - 2021
- Expected volatility	44.14%	49.1%
- Option life (comprising vesting period and exercise period)	5 yrs	5 yrs
- Expected dividends	5.82%	0.21%
- Risk free rate of return	6.35%	6.77%
The method used and the assumptions made to incorporate the effects of expected early exercise	Historical data and pattern for early exercise of Options is not uniform, hence not considered in expected life calculations.	
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	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 Black-Scholes options 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 of the stock prices on the BSE Limited, over twelve months period prior to the date of grant has been considered.	
Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition	No other feature has been considered for fair valuation of options except as mentioned in the points above.	

E. Details of options granted to senior managerial personnel or identified employees during the year ended March 31, 2025:

Particulars	Year ended March 31, 2025
Senior Managerial Personnel	
Mr. Rajesh Joshi (MD & CEO)	16,986
Mr. Rahul Chopra (Senior Vice President & Business Head - Boards & Panel)	4,182
Mr. Sricharan Vulchi (Vice President & Business Head - ESBS)	3,114
Dr. Trissa Joseph (VP – R & D)	8,836
Mr. Pramod Nair (Chief Financial Officer)*	4,363
Ms. Amruta Avasare (Company Secretary)	3,024
Mr. Niranjana Gokhale (VP – Strategy)	2,835
Mr. Puneet Sharma (VP – Roofing)	3,898
Mr. Graciano Pinto (Internal Auditor & Chief Risk Officer)	1,671
Ms. Pallavi Gururaja (Chief Information Officer)**	2,262
Any other employees who received a grant in any one year of options amounting to 5% or more of the options granted during that year; and	NIL
Identified employees who were granted options 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

Note: Above stock options were granted at an exercise price of Rs. 1,189/- to Senior Management Personnel during the year ended March 31, 2025.

*Mr. Pramod Nair ceased to be the Chief Financial Officer of the Company w.e.f. close of working hours on January 10, 2025.

**Ms. Pallavi Gururaja ceased to be the Chief Information Officer of the Company w.e.f. close of working hours on February 5, 2025.

Notes:

1. The Company in its Annual General Meeting held on 29th June, 2016 and 27th August, 2020 had passed Special Resolution approving Employees' Stock Option Scheme 2016 and Employees' Stock Option Scheme 2020 respectively however, no options have been granted by the Company in the financial year 2016-17 and 2020-21. The ESOS – 2019 was in force until (i) the date on which all Options available for issuance under ESOS – 2019 have been Exercised or have lapsed or (ii) upto March 31, 2025, whichever is earlier.

The Employees' Stock Option Scheme-2019 (ESOS-2019) ended on March 31, 2025 and 300 options granted under ESOS-2019 which were not exercised as on March 31, 2025 were lapsed on March 31, 2025 due to end of ESOS-2019.

2. Options granted under ESOS-2021 shall vest with the grantee as per the following schedule: (i) The first tranche comprising 20% of the number of options granted shall vest upon completion of one year from the date of grant. (ii) The second tranche comprising 30% of the number of options granted shall vest upon completion of two years from the date of grant (iii) The third tranche comprising 50% of the number of options granted shall vest upon completion of three years from the date of grant.
3. The exercise price per option shall be not less than the average closing price of two weeks preceding the date of grant or closing price of the Company's shares on the Stock Exchange on the date prior to the date of grant of the options, whichever is less. If the shares of the Company are listed on more than one Stock Exchange, then the price shall be determined as regards each Stock Exchange by applying the abovementioned formula and the lowest of the price so determined shall be the exercise price for the purposes of the ESOS-2021.

For and on behalf of the Board

Date: May 19, 2025

Place: Mumbai

Anant Talaulicar

Chairman

Rajesh Joshi

Managing Director & CEO