

Annexure-BR-IV

Information regarding Employees Stock Option Scheme (ESOS) pursuant to Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021

Details related to the Scheme:

As on March 31, 2023, the Company has in place the Employee Stock Option Scheme named “Anupam - Employee Stock Options Plan 2020” (“ESOP-2020”). ESOP-2020 is in the compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI (SBEB and Sweat Equity) Regulations”) and the Companies Act, 2013.

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 in that regard from time to time.

Please refer Note No. 31.1 – Share Based Payment, of Notes to the Audited Standalone Financial Statements forming part of the Annual Report.

B. Diluted EPS on issue of shares pursuant to the scheme covered under the regulations in accordance with ‘Indian Accounting Standard (Ind AS) - 33 - Earnings Per Share’ or any other relevant accounting standards as prescribed from time to time.

Earnings Per Share (EPS) pursuant to issue of Equity Shares on exercise of stock Options calculated in accordance with Ind AS - 33 ‘Earning Per Share’ (Consolidated)

Basic: ₹ 20.91/-

Diluted: ₹ 20.86/-

C. Other details related to ESOP-2020

Description of ESOP-2020 including the general terms and conditions, including:

Sr. No.	Description	Details		
i. (a)	Date of shareholder's approval	ESOP-2020 was approved by the shareholders of the Company on December 4, 2020, which was further modified and ratified by the shareholders in the 18 th annual general meeting held on September 30, 2021, in accordance with the SEBI (SBEB and Sweat Equity) Regulations and post IPO procedural requirements		
(b)	Total number of options approved	The maximum number of 13,12,795 options were approved under ESOP-2020		
(c)	Total number of options granted	FY 2022-23	FY 2021-22	FY 2020-21
		Grant 3	Grant 2	Grant 1
		6,260	1,07,075	13,12,760
(d)	Vesting requirements	<p>Vesting Schedule under Grant 1:</p> <ul style="list-style-type: none"> 33.34% of the Options granted will vest on December 9, 2021; 33.34% of the Options granted will vest on December 9, 2022; and 33.32% of the Options granted will vest on December 9, 2023. <p>Vesting Schedule under Grant 2:</p> <ul style="list-style-type: none"> 100% of the Options granted will vest on January 19, 2023. <p>Vesting Schedule under Grant 3:</p> <ul style="list-style-type: none"> 1/3rd of the Options granted will vest on January 8, 2024; 1/3rd of the Options granted will vest on January 8, 2025; and 1/3rd of the Options granted will vest on January 8, 2026. 		
(e)	Exercise price or pricing formula	₹ 225/-		
(f)	Maximum term of options granted	The Options vested under Grant 1, Grant 2 and Grant 3 are exercisable within 1 year from the date of vesting.		
(g)	Source of shares (primary, secondary or combination)	Primary		

(h) i.	Variation in terms of options	The Scheme was modified to include the clauses/provisions in accordance with the SEBI (SBEB and Sweat Equity) Regulations and the Scheme was ratified in accordance with the Regulation 12 of the SEBI (SBEB and Sweat Equity) Regulations. Such modifications and ratifications of Scheme were approved by the Members in the 18 th annual general meeting held on September 30, 2021.		
ii.	Method used to account for ESOP 2020	Fair Value Method using Black-Scholes Model		
iii.	Difference between the employee compensation cost using the intrinsic value of stock options and the employee compensation cost that shall have been recognized if it had used the fair value of the options. The impact of this difference on profits and on EPS of the Company.	For the year ended March 31, 2023, an amount of ₹ 76.95 Million is debited to employee cost as share based compensation.		
iv.	Option movement during the year	FY 2022-23	FY 2021-22	FY 2020-21
	(a) Number of options outstanding at the beginning of the period	9,60,004	12,70,750	-
	(b) Number of options granted during the year	6,260	1,07,075	13,12,760
	(c) Number of options forfeited during the year	0	0	0
	(d) Number of options cancelled during the year	0	0	0
	(e) Number of options lapsed during the year	36,442	93,327	42,010
	(f) Number of options vested during the year	4,83,591	4,01,642	0
	(g) Number of options exercised during the year	3,21,635	3,24,494	0
	(h) Number of shares arising as a result of exercise of options	3,21,635	3,24,494	0
	(i) Money realized by exercise of options (INR), if scheme is implemented directly by the Company	7,23,67,875	7,30,11,150	0
	(j) Loan repaid by the Trust during the year from exercise price received	NA	NA	NA
	(k) Number of options outstanding at the end of the year	6,08,187	9,60,004	12,70,750
	(l) Number of options exercisable at the end of the year	2,27,401	76,344	0
v.	Weighted-average exercise prices and weighted-average fair values of options disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	<ul style="list-style-type: none"> Weighted-average exercise price: ₹ 225/- Weighted-average fair values of Options granted during the year: ₹ 497.56/- 		

vi.	Employee wise details of the options granted:					
a.	Option granted to Senior Managerial Personnel (SMP) & Key Managerial Personnel (KMP) during the year					
	Name	Category	Designation	Options granted (FY 2022-23)	Options granted (FY 2021-22)	Options granted (FY 2020-21)
	Mr. Amit Khurana	KMP	CFO	0	4,880	1,190
	Ms. Suchi Agarwal	KMP	CS & Compliance Officer (Resigned w.e.f. March 15, 2023)	0	1,460	4,220
	Dr. Nileshkumar Naik	KMP	Technical Head	0	5,500	29,540
	Dr. Anuj Thakar	KMP	R&D (Process Development) Head	0	3,070	15,560
	Mr. Ravi Desai	KMP	Sales Head	0	1,780	7,800
	Mr. Satish Patel	SMP	Environment Head	0	890	3570
	Mr. Dattatray Joshi	SMP	Purchase Manager	0	2,440	10,620
	Mr. Himanshu Bhatt	SMP	President Projects	0	1,910	9,540
	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		FY 2022-23	FY 2021-22	FY 2020-21
				i. Subhash Sarmanbhai Jethava - 1,690 Options	Dr. Nileshkumar Naik - 5,500 Options	NA
				ii. Nirav Sukhdevbhai Patanwadiya - 1,640 Options		
				iii. Surya Prakash Laljee - 1,670 Options		
				iv. Purushottam Sanjay Mahajan - 1,260 Options		
	c.	Identified employees who were granted option during any one year equal to or exceeding 1% of the issued capital of the Company (excluding outstanding warrants and conversions) at the time of grant		NA		

vii.	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	Methodologies considered for Black Scholes Valuation		
a.	Grant name	Anupam-Employees Stock Option Plan 2020 Grant 3	Anupam-Employees Stock Option Plan 2020 Grant 2	Anupam-Employees Stock Option Plan 2020 Grant 1
b.	Date of grant	January 9, 2023	January 20, 2022	December 10, 2020
c.	Fair value of Options at grant date	483.18	816.73	22.37
d.	Share price at grant date	689.45	1,026.25	190.26*
e.	Exercise price	225	225	225
f.	Expected volatility (weighted-average)	33.99%	25.36%	39.60%
g.	Expected Option life (weighted-average)	1.25	1.08	2.08
h.	Expected dividends	Not factored separately		
i.	Risk-free interest rate (based on government bonds)	6.94%	6.60%	5.11%
viii.	The method used and the assumptions made to incorporate the effects of expected early exercise	NA		
ix.	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	For Grant in FY23 - Volatility of the Company is worked out on the basis of movement of stock price on NSE based on the price data for last 52 weeks up to the date of grant.		
x.	whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	NA		
xi.	Details related to trust	NA		

Note: *The shares of the Company were not listed on the stock exchanges as on the date of Grant 1 i.e. December 10, 2020.

For and on behalf of the Board of Directors
of **Anupam Rasayan India Limited**

Date: September 07, 2023

Place: Surat

Anand Desai
Managing Director
DIN: 00038442

Mona Desai
Whole-Time Director and
Chairperson of CSR Committee
DIN: 00038429