

Statutory Information on ESOP for FY 2021-22

DETAILS OF EMPLOYEES STOCK OPTION SCHEME 2015 (ESOP 2015) AND EMPLOYEES INCENTIVE PLAN 2017 (PLAN 2017)

DISCLOSURES IN COMPLIANCE WITH REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 [“SEBI SBEB REGULATIONS”] READ WITH PART F OF SCHEDULE - I OF SEBI SBEB REGULATIONS AND RULE 12(9) OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 [“DISCLOSURES”]

The Members, at the Extra-Ordinary General Meeting of the Company held on December 23, 2015, passed a Special Resolution approving the Company's Employee Stock Option Scheme 2015 (“**ESOS 2015**” / “**Scheme**”). The Scheme was then amended primarily to align it with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (as amended from time to time).

The main features of the amendments to the ESOS 2015 are as follows:

1. The Nomination and Remuneration Committee shall not act in any manner, which may be detrimental to the interest of its employees.
2. Maximum quantum of benefits to be provided per employee under the Scheme.
3. Implementation and administration of the Scheme.
4. Procedure adopted for adjustment to the entitlement of number of Options and to Exercise price in the event of any Corporate Actions of the Company.
5. Statement of Risks.

The detailed note on the disclosure in terms of the accounting standards and the 'Guidance note on accounting for employee share-based payments' is under Note 43 to the Standalone financial statements for the year ended March 31, 2022 and forms an integral part of this Report.

Diluted Earnings per share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 - Details of same are provided under Note 40 to the aforesaid Standalone financial statements and forms an integral part of this Report.

(I) Employee Stock Option Scheme 2015 (ESOP 2015) [As on March 31, 2022]

1) Brief Description:

| Sr. No. | Particulars | Details |
|---------|---|--|
| 1. | Date of Shareholders' approval | Approval of Scheme by the Members at Extra Ordinary General Meeting held on December 23, 2015 Amendment to ESOP 2015 approved by the Members on September 15, 2016. |
| 2. | Total number of options approved under ESOS | 10,00,000 Options* |



| 3. Vesting requirements | The Options shall not vest for a period of one year after grant. After the expiry of one year, the vesting of Options shall take place over a term of four years, as follows: | | | | | | | | | | |
|---|---|-----------------|-----------------------|--------------------------------|-----|---------------------------------|-----|---------------------------------|-----|---------------------------------|-----|
| | <table border="1"> <thead> <tr> <th>Year of Vesting</th> <th>Percentage of Vesting</th> </tr> </thead> <tbody> <tr> <td>1 year after the date of grant</td> <td>10%</td> </tr> <tr> <td>2 years after the date of grant</td> <td>20%</td> </tr> <tr> <td>3 years after the date of grant</td> <td>30%</td> </tr> <tr> <td>4 years after the date of grant</td> <td>40%</td> </tr> </tbody> </table> | Year of Vesting | Percentage of Vesting | 1 year after the date of grant | 10% | 2 years after the date of grant | 20% | 3 years after the date of grant | 30% | 4 years after the date of grant | 40% |
| Year of Vesting | Percentage of Vesting | | | | | | | | | | |
| 1 year after the date of grant | 10% | | | | | | | | | | |
| 2 years after the date of grant | 20% | | | | | | | | | | |
| 3 years after the date of grant | 30% | | | | | | | | | | |
| 4 years after the date of grant | 40% | | | | | | | | | | |
| 4. Exercise price or pricing formula | Not exceeding ₹ 60/- per share* | | | | | | | | | | |
| 5. Maximum term of options granted | Exercise period shall not exceed five years from the relevant vesting date and the date after which the option shall lapse. | | | | | | | | | | |
| 6. Source of shares (primary, secondary or combination) | Primary | | | | | | | | | | |
| 7. Variation in terms of options | The Company shall not vary the terms of the Scheme, in any manner, which may be detrimental to the interests of the Eligible Employees. | | | | | | | | | | |

*At the time of approval of the Scheme, number of options approved was 200,000 (face value: ₹ 10/- each) and the Exercise Price was ₹ 300/-. Thereafter, sub-division of Equity Shares from face value of ₹ 10/- each to ₹ 2/- each was approved by the Members on May 04, 2017. The present face value of the Equity Shares is ₹ 2/- each. Accordingly, in the above table the number of Options and the Exercise Price is correspondingly adjusted to that extent.

- 2) **Method used to account for ESOS:** Fair Value as at the grant date (Black-Scholes-Option Valuation Model)
- 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 difference on profits and on EPS of the company shall also be disclosed:** Not Applicable
- 4) **Option movement during the year (For each ESOS):**

| | |
|---|-----------------------------------|
| Number of options outstanding at the beginning of the period | 95,950 (face value of ₹ 2/-) |
| Number of options granted during the year | NIL |
| Number of options forfeited / lapsed during the year | NIL |
| Number of options vested during the year | NIL |
| Number of options exercised during the year | 72,250 |
| Number of shares arising as a result of exercise of options | 72,250 |
| Money realized by exercise of options (INR), if scheme is implemented directly by the company | 43,35,000 (72,250*60) |
| Loan repaid by the Trust during the year from exercise price received | Not Applicable |
| Number of options outstanding at the end of the year | 23,700 |
| Number of options exercisable at the end of the year | 23,700 (face value of ₹ 2/- each) |



5) Weighted-average exercise prices and weighted-average fair values of options:

A. as it is less than market price of the stock

(in ₹)

| Date of Vesting | February 15, 2018 | February 15, 2019 | February 15, 2020 | February 15, 2021 |
|--|-------------------|-------------------|-------------------|-------------------|
| Weighted-average exercise prices | | | ₹ 60* | |
| Weighted-average fair value of options | 270 | 272 | 274 | 276 |

*At the time of approval of the Scheme, 200,000 options (of ₹ 10/- each) was approved and the Exercise Price was ₹ 300/-. Thereafter, sub-division of Equity Shares from face value of ₹ 10/- each to ₹ 2/- each was approved by the Members on May 04, 2017. The present face value of the Equity Shares is ₹ 2/-. Accordingly, in the above table Exercise Price is correspondingly adjusted to that extent.

B. as it is equals or exceeds the market price of the stock

| Date of Vesting | February 15, 2018 | February 15, 2019 | February 15, 2020 | February 15, 2021 |
|--|-------------------|-------------------|-------------------|-------------------|
| Weighted-average exercise prices | | | NA | |
| Weighted-average fair value of options | | | NA | |

6) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to:

a) Senior Managerial Personnel;

During the year under review, there was no stock option granted to the Senior Managerial Personnel of your Company.

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 : 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

7) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

| Sr. No. | Particulars | Details | | | |
|---------|---|-------------------|-------------------|-------------------|-------------------|
| 1. | the weighted-average values of share price: | | | | |
| | Date of Vesting | February 15, 2018 | February 15, 2019 | February 15, 2020 | February 15, 2021 |
| | exercise price: | | | ₹ 60 | |
| | expected volatility: | 0.49 | 0.49 | 0.49 | 0.49 |
| | expected option life: | 3 years | 3.5 years | 4 years | 4.5 years |
| | expected dividends % : | 0.06% | 0.06% | 0.06% | 0.06% |
| | the risk-free interest rate: | 6.60% p.a. | 6.66% p.a. | 6.72% p.a. | 6.84% p.a. |
| | any other inputs to the model | | | - | |



| | |
|---|--|
| 2. the method used and the assumptions made to incorporate the effects of expected early exercise | Black-Scholes-Option Valuation Model |
| 3. how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility | <ul style="list-style-type: none"> • Fair value calculated by using Black-Scholes option pricing model. • Share price: The closing price on NSE as on the date of grant has been considered for valuing the options granted. • Exercise Price: Exercise Price is the price (₹ 60 per share) as determined by the Nomination and Remuneration Committee. • Expected Volatility: Volatility of the Company's stock price based on the NSE price data from the date of listing (i.e. August 1, 2016) up to the date of grant. • Expected Option Life: The expected life of the options i.e. the average of the period up to the vesting date and the exercise period corresponding to each vesting. • Expected dividends: Expected dividend yield has been calculated as an average of dividend yields for the five financial years preceding the date of the grant. • Risk free interest rate: Zero coupon Government Bond rate representing the risk free interest rate. |
| 4. Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition. | |

(II) AETL's Employees Incentive Plan 2017 (Plan 2017)

Brief Description:

| Sr. No. | Particulars | Details |
|---------|--|---|
| 1. | Date of shareholders' approval | The Scheme / Plan 2017 was approved by the Members through Postal Ballot on May 4, 2017. |
| 2. | Total number of options approved under the Plan 2017 | Under this Plan 2017, the maximum number of Shares awarded through Options and Stock Appreciation Rights (SARs), shall not exceed 45,80,000 Equity shares (9,16,000 Equity Shares before sub-division) Or 5% of the paid up share capital of the Company whichever is lower. 1 (One) Stock Option shall be on Exercise be entitled to 1 (one) Equity Share of the Company. 1 (One) SAR shall on Exercise be entitled to Appreciation on 1 (one) Equity Share of the Company, payable in the form of Equity Shares and /or cash payment. |



| 3. Vesting requirements | <p>The Options and SARs shall not Vest for a period of one year from the date of the Grant. After the expiry of one year from the date of the Grant, the Vesting of Options and/or SARs shall take place over a term of 4 (four) years, as per provisions of this Plan 2017.</p> <table border="1"><thead><tr><th>Year of Vesting</th><th>Percentage of Vesting</th></tr></thead><tbody><tr><td>1 year after the date of grant</td><td>10% of Options/SARs Granted shall Vest</td></tr><tr><td>2 years after the date of grant</td><td>20% of Options/SARs Granted shall Vest</td></tr><tr><td>3 years after the date of grant</td><td>30% of Options/SARs Granted shall Vest</td></tr><tr><td>4 years after the date of grant</td><td>40% of Options/SARs Granted shall Vest</td></tr></tbody></table> | Year of Vesting | Percentage of Vesting | 1 year after the date of grant | 10% of Options/SARs Granted shall Vest | 2 years after the date of grant | 20% of Options/SARs Granted shall Vest | 3 years after the date of grant | 30% of Options/SARs Granted shall Vest | 4 years after the date of grant | 40% of Options/SARs Granted shall Vest |
|---|---|-----------------|-----------------------|--------------------------------|--|---------------------------------|--|---------------------------------|--|---------------------------------|--|
| Year of Vesting | Percentage of Vesting | | | | | | | | | | |
| 1 year after the date of grant | 10% of Options/SARs Granted shall Vest | | | | | | | | | | |
| 2 years after the date of grant | 20% of Options/SARs Granted shall Vest | | | | | | | | | | |
| 3 years after the date of grant | 30% of Options/SARs Granted shall Vest | | | | | | | | | | |
| 4 years after the date of grant | 40% of Options/SARs Granted shall Vest | | | | | | | | | | |
| 4. Exercise price or pricing formula | <p>Exercise Price shall not be higher than the prevailing Market Price of the Shares as on Grant date ('relevant date') discounted by 20%. "Market Price" means the latest available closing price on a recognised stock exchange on which the shares of the company are listed on the date immediately prior to the relevant date.</p> | | | | | | | | | | |
| 5. Maximum term of options granted | <p>Exercise period shall not exceed five years from vesting date and the date after which the option shall lapse.</p> | | | | | | | | | | |
| 6. Source of shares (primary, secondary or combination) | <p>Combination</p> | | | | | | | | | | |
| 7. Variation in terms of options | <p>Subject to the provisions of the SEBI Regulations, the Committee may alter, modify, and/or amend the terms and conditions of the Plan 2017 provided that such amendment/ alterations/ modification is not detrimental to the interests of the Employees.</p> | | | | | | | | | | |

As no Options / SARs have been granted by the Company under the Plan 2017, during the year under review and as on the date of Board's Report, other Disclosures are not applicable.