

## THE DISCLOSURES PURSUANT TO REGULATION 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2021 READ WITH SEBI CIRCULAR DATED AUGUST 13, 2021 ON ESOP DISCLOSURES

Sl. No.	Particulars	Status of compliance
A	Disclosures in terms of 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.	Please refer to Note No. 53 of the Annual report – 2022-2023
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 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time	₹ 38.54
C	Details related to ESOS / RSU/Trust	
	i. A description of each ESOS that existed as any time during the year including general terms and conditions of each ESOS, including – (a) Date of shareholders' approval (b) Total number of options approved under ESOS (c) Vesting requirements (d) Exercise price or pricing formula (e) Maximum term of options granted (f) Source of shares (primary, secondary or combination) (g) Variation in terms of options	Details are provided in Annexure 1
	(ii) Method used to account for ESOS – Intrinsic or Fair Value	The Company uses the Fair value based method of accounting for stock options granted after 1st April 2005.
	(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.	N.A
	(iv) Option movement during the year ( for each ESOS)	Details are provided in Annexure 2
	(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.	Details provided in Annexure 3
	(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -	
	a) Senior Managerial personnel;	Details provided in Annexure 4
	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	Details provided in Annexure 4A
	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 of the employees granted options more than 1% of issued capital
	(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	
	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;	Details provided in Annexure 3
	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	

- D. Details related to ESPS - Not Applicable
- E. Details related to SAR - Not Applicable
- F. Details related to GEBS / RBS - Not Applicable

**G. Details related to Trust**

**I. ESOP-A:**

**(i) General information on ESOP-A : The Nomination and Remuneration Committee of Board of Directors of the Company approved the proposal to dissolve the ESOP-A scheme on 30<sup>th</sup> January 2023.**

Sl. No.	Particulars	
1	Name of the Trust	Satyam Associates Trust
2	Details of the Trustee(s)	Mr. Vinay Agarwal Mr. S. Raji Reddy Mr. Vishwanath Kini
3	Amount of loan disbursed by company / any company in the group, during the year	NIL
4	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	NIL
5	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	NIL
6	Any other contribution made to the Trust during the year	NIL

**(ii) Brief details of transactions in shares by the Trust**

- (a) Number of shares held at the beginning of the year : 0
- (b) Number of shares acquired during the year through
- (i) primary issuance
- (ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share : Nil
- (c) Number of shares transferred to the employees /sold along with the purpose there of : 0
- (d) Number of shares held at the end of the year (a +b-c) : Nil

**(iii) In case of secondary acquisition of shares by the Trust : Not Applicable**

Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was Obtained
Held at the beginning of the year	Not Applicable
Acquired during the year	
Sold during the year	
Transferred to the employees during the year	
Held at the end of the year	

**II. ESOS:**

- (i) **General information on the Scheme:** The Nomination and Remuneration Committee of Board of Directors of the Company approved the proposal to dissolve the ESOS on 30<sup>th</sup> January 2023.

Sl. No.	Particulars	
1	Name of the Trust	Mahindra Engineering Services Employees Stock Option Trust
2	Details of the Trustee(s)	Mr. Vinay Agarwal Mr. Vishwanath Kini Mr. S. Raji Reddy
3	Amount of loan disbursed by company / any company in the group, during the year	NIL
4	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	NIL
5	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	NIL
6	Any other contribution made to the Trust during the year	NIL

**(ii) Brief details of transactions in shares by the Trust**

- (a) Number of shares held at the beginning of the year : 0
- (b) Number of shares acquired during the year through (i) primary issuance  
(ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share : Nil
- (c) Number of shares transferred to the employees / sold along with the purpose thereof : 0
- (d) Number of shares held at the end of the year (a +b-c) : Nil

**(iii) In case of secondary acquisition of shares by the Trust : Not Applicable**

Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
Held at the beginning of the year	Not Applicable
Acquired during the year	
Sold during the year	
Transferred to the employees during the year	
Held at the end of the year	

**ANNEXURE -1**

<b>Particulars</b>	<b>ESOP-2006</b>	<b>ESOP-2014</b>	<b>ESOP-B-2013</b>	<b>TML-RSU</b>	<b>ESOP-A</b>	<b>TML-ESOS</b>	<b>ESOP-2018</b>
(a) Date of shareholders' approval	January 16, 2006	August 1, 2014	August 12, 2013	August 12, 2013	November 7, 2013	January 30, 2013	July 31, 2018
(b) Total number of options approved under ESOS	49,61,270	40,00,000	34,03,013	12,82,721	2,42,802	30,144	50,00,000
(c) Vesting Requirements	Vesting under these scheme will commence after a period of 12 months from the date of grant, subject to fulfilling the conditions as decided by the Board/ Nomination and Remuneration Committee from time to time						
(d) Exercise price or pricing formula	Options granted prior to the listing of the Company's shares were based on the annual valuation done by an independent Chartered Accountant. The grants made post listing of the Company's shares on Stock Exchange have been made as per the latest available closing price on the Stock Exchange with the highest trading volume, prior to the date of the meeting of the Compensation Committee in which options were granted	The price determined by the Nominations & Remuneration Committee of Directors from time to time in accordance with the notifications,	Up to 26th September 2013, options were priced at higher of	Options were granted at the face value of the shares.	The price determined by the Board of Directors from time to time in accordance with the notifications, guidelines and clarifications issued by SEBI or any other statutory authority as applicable.	The price determined by the Nomination & Remuneration committee of Directors from time to time	The price determined by the Nominations & Remuneration Committee of Directors from time to time in accordance with the notifications,
		Guidelines and clarifications issued by SEBI or any other statutory authority from time to time as applicable.	1) The closing price of the shares on the date of the meeting of the compensation committee convened to grant the stock options on the stock exchange where highest volumes are traded OR				Guidelines and clarifications issued by SEBI or any other statutory authority from time to time as applicable.

Particulars	ESOP-2006	ESOP-2014	ESOP-B-2013	TML-RSU	ESOP-A	TML-ESOS	ESOP-2018
			2) The average of two weeks high and low price of the share preceding the date of grant of option on the stock exchange on which the shares of the company are listed; whichever is higher Post 26th September 2013: The options are priced as per the latest available closing price on the Stock Exchange with the highest trading volume, prior to the date of the meeting of the Compensation Committee in which options were granted.				
	No further grants are made under these scheme's pursuant share holder approval dated August 1, 2014		No further grants are made under these scheme's pursuant share holder approval dated August 1, 2014				
(e) Maximum term of options granted	7 years from the date of initial grant under the plan	5 years from the date of vesting	5 years from the date of each vesting	5 years from the date of each vesting	180 days from the date of each vesting	7 years from the date of each vesting	5 years from the date of each vesting
(f) Source of shares (primary, secondary or combination)							
(g) Variation in terms of options				Primary shares			
				Not Applicable			

**OPTION MOVEMENT DURING THE YEAR ( FOR EACH ESOS)  
ANNEXURE – 2**

	ESOP-2006	ESOP-2014	TML ESOP-B-2013	TML-RSU	ESOP-2018
Number of options outstanding at the beginning of the period	26,000	63,95,916	61,088	39,248	29,94,602
Number of options granted during the year	-	1,93,237	-	-	1,75,819
Number of options forfeited / lapsed during the year	-	5,05,969	26,616	332	1,93,250
Number of options vested during the year	-	34,42,958	-	-	8,58,605
Number of options exercised during the year	26,000	18,31,802	34,472	36,366	3,85,356
Number of shares arising as a result of exercise of options	26,000	18,31,802	34,472	36,366	3,85,356
Money realised by exercise of options (INR)	44,56,000	42,88,57,200	1,40,25,361	1,81,830	19,26,780
Loan repaid by the Trust during the year from exercise price received	-	-	-	-	-
Number of options out standing at the end of the year	-	42,51,382	-	2,550	25,91,815
Number of options exercisable at the end of the year	-	34,42,958	-	2,550	8,58,605

Particulars	ESOP 2006	ESOP 2014	ESOP-A	TML ESOP B 2013	TML RSU	TML ESOS	ESOP 2018
F. Weighted average exercise price of Options granted during the Period whose							
	<b>1st April 2022-31st Mar 2023</b>						
(a) Exercise price equals market price	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(b) Exercise price is greater than market price	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(c) Exercise price is less than market price	NIL	5	NIL	NIL	NIL	NIL	5
Weighted average fair value of Options granted during the period whose							
	<b>1st April 2022-31st Mar 2023</b>						
(a) Exercise price equals market price	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(b) Exercise price is greater than market price	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(c) Exercise price is less than market price	NIL	955.70	NIL	NIL	NIL	NIL	1,009.38
Weighted average exercise price of Options granted during the year whose							
	<b>1st April 2021-31st Mar 2022</b>						
(a) Exercise price equals market price	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(b) Exercise price is greater than market price	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(c) Exercise price is less than market price	NIL	5	NIL	NIL	NIL	NIL	5.00
Weighted average fair value of Options granted during the year whose							
	<b>1st April 2021-31st Mar 2022</b>						
(a) Exercise price equals market price	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(b) Exercise price is greater than market price	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(c) Exercise price is less than market price	NIL	1,263.40	NIL	NIL	NIL	NIL	1,140.82
G. Method and Assumptions used to estimate the fair value of options granted during the year							
	<b>1st April 2022-31st Mar 2023</b>						
The fair value has been calculated using the Black Scholes Option Pricing model. The assumptions used in the model are as follows	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions
1. Risk Free Interest Rate	NIL	7.17	NIL	NIL	NIL	NIL	6.69
2. Expected Life (in years)	NIL	4.55	NIL	NIL	NIL	NIL	3.01

Particulars	ESOP 2006	ESOP 2014	ESOP-A	TML ESOP B 2013	TML RSU	TML ESOS	ESOP 2018
3. Expected Volatility	NIL	31.8	NIL	NIL	NIL	NIL	34.31
4. Dividend Yield	NIL	1.6	NIL	NIL	NIL	NIL	1.6
5. Price of the underlying share in market at the time of the option grant (₹)	NIL	1,031.61	NIL	NIL	NIL	NIL	1,063.71
<b>1st April 2021-31st Mar 2022</b>							
	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions
1. Risk Free Interest Rate	NIL	5.50	NIL	NIL	NIL	NIL	5.79
2. Expected Life (in years)	NIL	4.55	NIL	NIL	NIL	NIL	4.55
3. Expected Volatility	NIL	31.44	NIL	NIL	NIL	NIL	31.73
4. Dividend Yield	NIL	1.76	NIL	NIL	NIL	NIL	1.76
5. Price of the underlying share in market at the time of the option grant (₹)	NIL	1,372.72	NIL	NIL	NIL	NIL	1,240.58

**ESOP 2014 & ESOP 2018 Grant date wise assumptions used in the model are as follows:**

Variables	30-Jan-23	01-Nov-22	26-Jul-22	25-Apr-22	10-Aug-22
Price of the underlying share in market at the time of the option grant (₹)	1030.1	1063.4	1017.25	1306.5	1056.6
Expected Volatility (%)	31.52	32.41	32.3	31.98	34.38
Riskfree Interest Rate (%)	7.21	7.22	7.03	6.36	6.7
Expected Life (in years)	4.55	4.55	4.55	4.55	2.97
Dividend yield (%)	1.6	1.6	1.6	1.6	1.6
Fair Value	954.3	985.27	942.33	1211.2	1003.47

**ANNEXURE – 4****Details of Options granted to Sr. Managerial personnel**

Emp ID	Employee Name	Designation	Grant Date	Exercise Price(₹)	Options Granted	Scheme Name
789346	Anuj Bhalla	SBU Head - India & APJ(Enterprise)	30-JAN-23	5	20,000	ESOP2014

**ANNEXURE – 4 A**

List of employees who were granted more than 5% or more of the options granted during the year

Employee ID	Employee Name	Designation	Grant Date	Exercise Price (₹)	Granted	Scheme Name
863618	Pankesh Upadhyay	SVP, Sales Head – Insurance, ANZ	26-Jul-22	5	20,000	ESOP2014
9724	Chander Gurnani	Managing Director & Chief Executive Officer	10-Aug-22	5	170,819	ESOP2018
922333	Amit Vij	SVP, Head – PE Business, Europe	30-Jan-23	5	20,000	ESOP2014
789346	Anuj Bhalla	SBU Head - India & APJ(Enterprise)	30-Jan-23	5	20,000	ESOP2014