

**THE DISCLOSURES PURSUANT TO REGULATION 14 OF THE SEBI SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Status of compliance</b>
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 – 2023-2024
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	₹ 21.69
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 : Nil  
the end of the previous financial year, along with information on weighted  
average cost of acquisition per share
- (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**

Particulars	ESOP-2014	TML-RSU	ESOP-A	TML-ESOS	ESOP-2018
(a) Date of shareholders' approval	August 1,2014	August 12,2013	November 7,2013	January 30,2013	July 31,2018
(b) Total number of options approved under ESOS	40,00,000 (The Members of the Company approved pool of 40,00,000 equity shares. The same stood augmented on account of the 1:1 Bonus Issue made and sub-division of each Equity Share of the Company in March 2015.)	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	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.	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 from time to time as applicable.	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.	
(e) Maximum term of options granted	5 years from the date of each vesting	No further grants are made under these scheme's pursuant share holder approval dated August 1, 2014	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	Primary shares				
(g) Variation in terms of options	Not Applicable				

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

	<b>ESOP-2014</b>	<b>TML-RSU</b>	<b>ESOP-2018</b>
Number of options outstanding at the beginning of the period	42,51,382	2,550	25,91,815
Number of options granted during the year	7,85,111	-	-
Number of options forfeited / lapsed during the year	3,46,319	-	1,76,916
Number of options vested during the year	4,45,381	-	15,04,877
Number of options exercised during the year	18,50,945	2,550	7,57,553
Number of shares arising as a result of exercise of options	18,50,945	2,550	7,57,553
Money realised by exercise of options (INR)	23,13,48,463	12,750	37,87,765
Loan repaid by the Trust during the year from exercise price received	-	-	-
Number of options out standing at the end of the year	28,39,229	-	16,57,346
Number of options exercisable at the end of the year	16,65,694	-	11,30,056

**ANNEXURE – 3**

Particulars	ESOP 2014	ESOP-A	TML RSU	TML ESOS	ESOP 2018
	1st April 2023-31st Mar 2024				
F. Weighted average exercise price of Options granted during the Period whose					
(a) Exercise price equals market price	NIL	NIL	NIL	NIL	NIL
(b) Exercise price is greater than market price	NIL	NIL	NIL	NIL	NIL
(c) Exercise price is less than market price	5.00	NIL	NIL	NIL	NIL
Weighted average fair value of Options granted during the period whose					
(a) Exercise price equals market price	NIL	NIL	NIL	NIL	NIL
(b) Exercise price is greater than market price	NIL	NIL	NIL	NIL	NIL
(c) Exercise price is less than market price	1,099.20	NIL	NIL	NIL	NIL
Weighted average exercise price of Options granted during the year whose					
(a) Exercise price equals market price	NIL	NIL	NIL	NIL	NIL
(b) Exercise price is greater than market price	NIL	NIL	NIL	NIL	NIL
(c) Exercise price is less than market price	5.00	NIL	NIL	NIL	5.00
Weighted average fair value of Options granted during the year whose					
(a) Exercise price equals market price	NIL	NIL	NIL	NIL	NIL
(b) Exercise price is greater than market price	NIL	NIL	NIL	NIL	NIL
(c) Exercise price is less than market price	955.70	NIL	NIL	NIL	1009.38
G. Method and Assumptions used to estimate the fair value of options granted during the year					
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
1. Risk Free Interest Rate	6.94	NIL	NIL	NIL	NIL
2. Expected Life (in years)	3.84	NIL	NIL	NIL	NIL
3. Expected Volatility	30.80	NIL	NIL	NIL	NIL
4. Dividend Yield	1.44	NIL	NIL	NIL	NIL
5. Price of the underlying share in market at the time of the option grant (₹)	1,166.24	NIL	NIL	NIL	NIL

Particulars	ESOP 2014	ESOP-A	TML RSU	TML ESOS	ESOP 2018
	1st April 2022-31st Mar 2023				
	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions
1. Risk Free Interest Rate	7.17	NIL	NIL	NIL	6.69
2. Expected Life (in years)	4.55	NIL	NIL	NIL	3.01
3. Expected Volatility	31.80	NIL	NIL	NIL	34.31
4. Dividend Yield	1.60	NIL	NIL	NIL	1.60
5. Price of the underlying share in market at the time of the option grant (₹)	1,031.61	NIL	NIL	NIL	1,063.71

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

Variables	GT23JAN 2024	GT24OCT 2023	GT18AUG 2023	GT18AUG 2023A	GT19JUL 2023	GT20JUN 2023A	GT20JUN 2023	GT27APR 2023
Price of the underlying share in market at the time of the option grant (₹)	1385.60	1155.95	1231.75	1231.75	1247.55	1093.60	1093.60	996.30
Expected Volatility (%)	30.27	30.98	29.89	31.02	31.12	31.14	30.58	31.47
Riskfree Interest Rate (%)	7.02	7.30	7.05	7.06	6.92	6.87	6.86	6.89
Expected Life (in years)	4.55	4.55	2.95	3.70	4.55	3.70	3.10	4.55
Dividend yield (%)	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44
Exercise Prices	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Fair Value	1294.23	1079.17	1176.48	1164.06	1164.91	1033.05	1041.84	929.56

## **ANNEXURE – 4**

### **Details of Options granted to Sr. Managerial personnel**

<b>Employee ID</b>	<b>Employee Name</b>	<b>Designation</b>	<b>Grant Date</b>	<b>Exercise Price (₹)</b>	<b>No. of Options Granted</b>	<b>Scheme Name</b>
1012808	Richard Lobo	Chief People Officer	23-Jan-24	5.00	55,000	ESOP2014
976454	Atul Soneja	Chief Operating Officer	18-Aug-23	5.00	48,846	ESOP2014

## **ANNEXURE – 4 A**

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

<b>Employee ID</b>	<b>Employee Name</b>	<b>Designation</b>	<b>Grant Date</b>	<b>Exercise Price (₹)</b>	<b>No. of Options Granted</b>	<b>Scheme Name</b>
970242	Mohit Joshi	Managing Director & CEO	20-Jun-23	5.00	450,878	ESOP2014
976454	Atul Soneja	Chief Operating Officer	18-Aug-23	5.00	48,846	ESOP2014
1012808	Richard Lobo	Chief People Officer	23-Jan-24	5.00	55,000	ESOP2014