



THEJO ENGINEERING LIMITED

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Disclosures with respect to Employees' Stock Option Plan, 2015 of the Company pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on March 31, 2023:

Thejo Employee Stock Option Plan 2015

Information in respect of Options granted under Thejo Employee Stock Option Plan 2015

Name of the Plan	Thejo Employee Stock Option Plan 2015 ("ESOP 2015")
Date of Shareholders' Approval	August 26, 2015
Number of options approved under the Scheme ¹	6,72,348 options equivalent to 6,72,348 Equity shares of ₹10/- each.
Vesting Schedule	1/6 th of Options granted on completion of one year of grant; balance in 6 equal instalments on completion of 18, 24, 30, 36, 42 and 48 months of grant.
Pricing Formula	The Members have authorised the Board to decide the Pricing in line with SEBI guidelines. The Board has decided that the pricing will be not less than 75% of the prevailing market value of the Shares on the date of grant of Options as fixed by Compensation/Nomination and Remuneration Committee based on the closing market price one day prior to date of grant.
Maximum Term of Options granted	60 Months from the date of granting of the Options.
Source of Shares	Primary
Method of Settlement	Equity Shares
Variation in terms of Options	None
Method used for accounting	Fair Value Method
Impact of Fair Value Method	Not applicable as expense has been accounted under Fair Value Method.
Option Movement during the year ¹	Number of Options at the beginning of the period – 1,99,721 Number of Options Granted during the year – 19,260 Additional Options on account of issue of bonus shares – Nil Number of Options forfeited/lapsed during the year – Nil Number of Options vested during the year – 63,060 Number of Options exercised during the year – 43,832 Number of Shares arising as a result of exercise of options – 43,832 Money Realized by exercise of Option – ₹ 61.80 lakhs Loan Repaid by the Trust from exercise price received – NA Number of Options outstanding at the end of the year – 1,75,149 Number of Options exercisable at the end of the year – 1,24,359
Weighted Average Exercise Price ¹	₹ 199.36/- per share (for outstanding options)
Weighted Average Fair Value/Option ¹	₹ 149.96/- (for outstanding options)

Details of Options Granted to specified employees during the year	<p>(A) Senior Managerial Personnel: Mr. M D Ravikanth, CFO & Secretary – 504 Mr. S Premjit, Sr VP – Services – 2016 Mr. Thomas Abraham, Sr VP – HR & Admin – 288 Mr. D Ravichandran, Sr VP – Projects – 360 Mr. S Sathish, VP – Manufacturing – 1368 Mr. M.J. Shaji, VP – Corporate Planning – 1008</p> <p>(B) Any other employee granted options amounting to 5% or more of option granted during the year: Mr. Shibu Joseph, Zonal Manager – 1008</p> <p>(C) Identified employee who was granted option during the year equal to or exceeding 1% of issued capital: Nil</p>
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Method and Significant Assumptions to estimate fair value ¹	<p>Method Used: Black Scholes Method Significant Assumptions Used:</p> <p>A) Options granted in FY 19-20 Weighted Average Value of Share Price: ₹ 188/- Weighted Average Price of Exercise Price: ₹ 141/- Expected Volatility: 41.70%-44.60% Expected Option Life: 3-4.5 years Expected Dividends: 1.18% Risk-free interest rate: 6.65%-6.85%</p> <p>B) Options granted in FY 22-23 Weighted Average Value of Share Price: ₹ 895.65/- Weighted Average Price of Exercise Price: ₹ 671.75/- Expected Volatility: 88.50%-105.50% Expected Option Life: 3-4.5 years Expected Dividends: 0.70% Risk-free interest rate: 6.62%-6.94%</p> <p>Method to determine Expected Volatility: Standard deviation of the continuously compounded rate of return of the stock during the expected option life based on historic value.</p>
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Status of Options¹

Particulars	As at 31/3/2023		As at 31/3/2022	
	No. of Options	WAEP (₹)	No. of Options	WAEP (₹)
Outstanding at the beginning of the year	1,99,721	141.00	1,28,182	313.47
Add: Granted during the year	19,260	671.75	0	NA
Add: Adjustment for Bonus Issue	0	0.00	1,43,142	141.00
Less: Forfeited/Lapsed during the year	0	0.00	25,660	153.75
Less: Exercised during the year	43,832	141.00	45,943	175.76
Outstanding at the end of the year	1,75,149	199.36	1,99,721	141.00
Exercisable at the end of the year	1,24,359	141.00	1,05,131	141.00

WAEP – Weighted Average Exercise Price/Option

NA – Not Applicable

Summary of Options Outstanding¹:
Thejo ESOP 2015

As at 31/3/2023			As at 31/3/2022		
No. of Options outstanding	Exercise Price (₹)	Weighted Average Remaining contractual Life	No. of Options outstanding	Exercise Price (₹)	Weighted Average Remaining contractual Life
1,55,889	141.00	14 Months	1,99,721	141.00	26 Months
19,260	671.75	50 Months	NA	NA	NA
Diluted EPS as per Ind-AS 33		Diluted EPS (Per Equity Share of face value of Rs. 10/- each fully paid) – ₹ 25.52/-			
Price of underlying shares in Market at the time of grant of option ¹		A) Grant given in FY 19-20: ₹ 188/- per Equity Share B) Grant given in FY22-23: ₹ 895.65/- per Equity Share			

Note: 1. Where needed, the numbers have been adjusted for change in exercise price and/or number of outstanding options on account of issue of bonus shares