



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, 2022:

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 – 1,28,182 Number of Options Granted during the year – Nil Additional Options on account of issue of bonus shares – 1,43,142 Number of Options forfeited/lapsed during the year – 25,660 Number of Options vested during the year – 1,02,902 Number of Options exercised during the year – 45,943 Number of Shares arising as a result of exercise of options – 45,943 Money Realized by exercise of Option – Rs. 80.75 lakhs Loan Repaid by the Trust from exercise price received – NA Number of Options outstanding at the end of the year – 1,99,721 Number of Options exercisable at the end of the year – 1,05,131
Weighted Average Exercise Price ¹	₹ 141/- per share (for outstanding options)

Weighted Average Fair Value/Option ¹	₹ 89.55/- (for outstanding options)
Details of Options Granted to specified employees during the year	(A) Senior Managerial Personnel: Nil (B) Any other employee granted options amounting to 5% or more of option granted during the year: Nil (C) Identified employee who was granted option during the year equal to or exceeding 1% of issued capital: Nil (Note: Excludes adjustment made to outstanding options on account of issue of Bonus Shares)
Method and Significant Assumptions to estimate fair value ¹	Method Used: Black Scholes Method Significant Assumptions Used: Lot 1: Options granted in FY 15-16 Weighted Average Value of Share Price: ₹ 205/- Weighted Average Price of Exercise Price: ₹ 153.75/- Expected Volatility: 35.40%-38.50% Expected Option Life: 3-4.5 years Expected Dividends: 1.81% Risk-free interest rate: 6.93%-7.07% Lot 2: 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% 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.

Status of Options¹

Particulars	As at 31/3/2022		As at 31/3/2021	
	No. of Options	WAEP (₹)	No. of Options	WAEP (₹)
Outstanding at the beginning of the year	1,28,182	313.47	1,88,915	267.55
Add: Granted during the year	0	NA	0	NA
Add: Adjustment for Bonus Issue	1,43,142	141.00	NA	NA
Less: Forfeited/Lapsed during the year	25,660	153.75	4,658	245.31
Less: Exercised during the year	45,943	175.76	56,075	164.44
Outstanding at the end of the year	1,99,721	141.00	1,28,182	313.47
Exercisable at the end of the year	1,05,131	141.00	73,832	232.83

WAEP – Weighted Average Exercise Price/Option

NA – Not Applicable

Summary of Options Outstanding¹:
Thejo ESOP 2015

As at 31/3/2022			As at 31/3/2021		
No. of Options outstanding	Exercise Price (₹)	Weighted Average Remaining contractual Life	No. of Options outstanding	Exercise Price (₹)	Weighted Average Remaining contractual Life
0	NA	NA	52,146	153.75	2 Months
1,99,721	141.00	26 Months	76,036	423.00	38 Months
Diluted EPS as per Ind-AS 33		Diluted EPS (Per Equity Share of face value of Rs. 10/- each fully paid) – ₹ 32.27/-			
Price of underlying shares in Market at the time of grant of option ¹		Lot 1 (Granted in FY 15-16): ₹ 205/- per Equity Share Lot 2 (Granted in FY 19-20): ₹ 188/- per Equity Share			

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