

Details related to Employee Stock Option Scheme 2025'

Date of shareholders' approval: - June 29, 2025

Total number of options approved under ESOS:- 7 Lakh (Seven Lakhs)

Vesting requirements: - The options shall vest not earlier than minimum vesting period of one year and not later than maximum vesting period of four years from date of grant.

Exercise price or pricing formula: - Rs. 325 per equity share

Maximum term of options granted: - Four years from date of grant.

Source of shares (primary, secondary or combination): -Secondary

Variation in terms of options: - The power to approve and/or make variations in the terms of the Options vest with the Nomination and Remuneration Committee, subject to obtaining the prior approval of the shareholders, wherever required under applicable laws.

Method used to account for ESOS: - Fair value

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. The impact of this difference on profits and on EPS of the company: -NA

Option movement during the year (For each ESOS):

Particulars	Details
Number of options outstanding at the beginning of the period	NIL
Number of options granted during the year	3,00,000
Number of options forfeited / lapsed during the year	2,00,000
Number of options vested during the year	NIL
Number of options exercised during the year	NIL
Number of shares arising as a result of exercise of options	NIL
Money realized by exercise of options (INR), if scheme is implemented directly by the company	NIL

Loan repaid by the Trust during the year from exercise price received	NIL
Number of options outstanding at the end of the year	1,00,000
Number of options exercisable at the end of the year	1,00,000

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: - NA

➤ **Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -**

(a) senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No	Name of Employee	Designation	Number of Options Granted during the Year	Exercise Price
1.	Mr. Abhishek Mehta	Chief Financial Officer	10,000	Rs.325
2.	Mr. Ajay Urkude	Senior Vice President – Sales and Marketing	10,000	Rs.325
3.	Mr. Shreekant Premkhede	Senior Vice President- Operations	10,000	Rs.325
4.	Mr. Manoj Srivastava	Sr. Vice President	6,000	Rs.325
5.	Mr. Ajit Kotasthane	Vice President Export	8,000	Rs.325
6.	Ms. Trushtee Edbor	Dy. General Manager	3,000	Rs.325
7.	Mr.Kaushik Chakraborty	Vice President – OEM	6,000	Rs.325

(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; - NA

(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: - NA

- **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;

Share Price	Exercise Price	Expected Volatility	Expected option Life	Expected Dividends yield	Risk-Free Interest Rate
Rs.332.95	Rs.325	33%	03 Years	0.45%	6.03%

(b) the method used and the assumptions made to incorporate the effects of expected early exercise:- The Black-Scholes-Merton Option Pricing Model is used for Valuation of ESOPs. ESOPs which are typically American-style in nature (exercisable any time after vesting), the Expected Term of the option — rather than its full contractual life — is used as an input. This is a standard and accepted simplification under applicable valuation guidance, including SEBI regulations and Ind AS 102

(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility:- The measure of volatility used in the Black-Scholes-Merton option pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. Since the underlying stock is listed for a shorter period than the expected life of the ESOPs, we have calculated volatility on the historical returns of the comparable companies. The median of the volatility of the comparable companies is taken to as an appropriate proxy of volatility for the Company.

(d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition: the variables that affect the value of the options such as Exercise price, market price, Current expected dividend yield, Risk-free rate of return, expected option life, Volatility of the stock were factored in BSM Model for the measurement of fair value of ESOP

➤ **Details related to Trust**

General information on all schemes

Sl. No.	Particulars	Details
1.	Name of the Trust	Diffusion ESOP Trust
2.	Details of the Trustee(s)	1.Qapita Equity Tech Limited, 2. Mrs. Sarika Dhokne, 3. Mrs. Trushtee Edbor
3.	Amount of loan disbursed by company / any company in the group, during the year	Rs. 9,00,00,000 (Rupees Nine Crores)
4.	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	Rs. 9,00,00,000 (Rupees Nine Crores)
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	-
6.	Any other contribution made to the Trust during the year	-

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 secondary acquisition – 3,00,000

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	0
Acquired during the year	0.80%
Sold during the year	0
Transferred to the employees during the year	0
Held at the end of the year	0.80%