

## ANNEXURE – 8

### Details of ESOP for the FY 2023-24 as per the provisions of the Companies Act, 2013 & SEBI (Share Based Employee Benefits And Sweat Equity) Regulations, 2021:

- A. Relevant disclosures in terms the Accounting Standards (Ind-AS) 102** – The disclosure on 'Share Based Payments' has been made in Note No. 48 read with Note no. 2.11 of the Notes to the Standalone Financial Statements, forming part of the Annual Report of the Company for the FY 2023-24.
- B. Diluted Earnings Per Share ('EPS') pursuant to the issue of shares on exercise of options calculated in accordance with Indian Accounting Standards (Ind-AS) 33** – Diluted Earnings Per Share is ₹ 24.61.
- C. Details related to ESOP Scheme(s):**

**(i) The description of the ESOP(s) existed during the year, including the following general terms and conditions of such ESOP(s):**

Sl. No	Particulars	Somany Ceramics Employee Stock Option Plan 2021 (ESOP 2021)	Somany Ceramics Employee Stock Option Plan 2023 (ESOP 2023)
(a)	Date of shareholders' approval	07 April, 2022	25 August, 2023
(b)	Total number of options approved under the scheme	4,23,794 (Four Lakhs twenty three thousand seven hundred ninety four) Options	12,74,226 (Twelve Lakhs Seventy Four Thousand Two Hundred and Twenty Six) Options
(c)	Vesting requirements	Vesting of the options shall take place over a maximum period of 7 years from the date of grant. The Nomination & Remuneration Committee at the time of grant may specify certain criteria linked to the individual and/or organizational performance or any other criteria as it may deem fit for all or a part of the Options, the fulfilment of which might be a requisite for the options to vest.  The minimum vesting period will be at least 1 (One) year from the date of grant. Further in the event of death or permanent incapacity of an employee, the minimum vesting period of one year shall not be applicable.	Vesting of the options shall take place over a maximum period of 7 years from the date of grant. The Nomination & Remuneration Committee at the time of grant may specify certain criteria linked to the individual and/or organizational performance or any other criteria as it may deem fit for all or a part of the Options, the fulfilment of which might be a requisite for the options to vest.  The minimum vesting period will be at least 1 (One) year from the date of grant. Further in the event of death or permanent incapacity of an employee, the minimum vesting period of one year shall not be applicable.
(d)	Exercise price or pricing formula	The exercise price shall be decided by the Nomination & Remuneration Committee in line with the SEBI Regulations. The Exercise price shall not exceed the fair market value as on the date of Grant and shall not be below the Face Value of the share.	The exercise price shall be decided by the Nomination & Remuneration Committee in line with the SEBI Regulations. The Exercise price shall not exceed the fair market value as on the date of Grant and shall not be below the Face Value of the share.

Sl. No	Particulars	Somany Ceramics Employee Stock Option Plan 2021 (ESOP 2021)	Somany Ceramics Employee Stock Option Plan 2023 (ESOP 2023)
(e)	Maximum term of options granted	Vesting of the options shall take place over a maximum period of 7 years from the date of grant.	Vesting of the options shall take place over a maximum period of 7 years from the date of grant.
(f)	Source of shares (primary, secondary or combination)	The Plan will involve issue of new shares by the Company and will not involve any secondary acquisition.	The Plan will involve issue of new shares by the Company and will not involve any secondary acquisition.
(g)	Variation in terms of options	<p>The Board of Directors in its absolute discretion may from time to time amend, alter or terminate the Plan or any Grant or the terms and conditions thereof provided, that no amendment, alteration or termination in any Grant previously made may be carried out, to the extent possible, which would impair or prejudice the rights of the Employee without the consent of the concerned Employee.</p> <p>The notice for passing a special resolution for variation of terms of the Plan shall disclose full details of the variation, the rationale therefore, and the details of the Employees who are beneficiaries of such variation.</p> <p>Without prejudice to the above, the Board of Directors, may without any reference to or consent of the Employee concerned, amend the Plan or Grant or any Agreement to comply with any laws, regulations or guidelines, which is or may hereinafter, become applicable to this Plan.</p> <p>During the year, no amendment/ modification/ variation has been introduced in terms of options.</p>	<p>The Board of Directors in its absolute discretion may from time to time amend, alter or terminate the Plan or any Grant or the terms and conditions thereof provided, that no amendment, alteration or termination in any Grant previously made may be carried out, to the extent possible, which would impair or prejudice the rights of the Employee without the consent of the concerned Employee.</p> <p>The notice for passing a special resolution for variation of terms of the Plan shall disclose full details of the variation, the rationale therefore, and the details of the Employees who are beneficiaries of such variation.</p> <p>Without prejudice to the above, the Board of Directors, may without any reference to or consent of the Employee concerned, amend the Plan or Grant or any Agreement to comply with any laws, regulations or guidelines, which is or may hereinafter, become applicable to this Plan.</p> <p>During the year, no amendment/ modification/ variation has been introduced in terms of options.</p>

(ii) Method used to account for ESOP - Intrinsic or fair value: **Fair Value**

(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.: **Not Applicable**

(iv) Options Movement during the year (For each ESOS):

Sr. No.	Particulars	ESOP 2021		ESOP 2023		
		Grant-1	Grant-2	Grant-1	Grant-2	Grant-3
a)	Number of Options outstanding at the beginning of the year	3,15,296	1,01,107	NIL	NIL	NIL
b)	Number of Options granted during the year	NIL	NIL	93,411	33,165	10,000
c)	Number of Options forfeited / lapsed during the year	16,329	15,003	2,839	NIL	NIL
d)	Number of Options vested during the year	Nil	Nil	Nil	Nil	Nil
e)	Number of Options exercised during the Year	Nil	Nil	Nil	Nil	Nil
f)	Number of shares arising as a result of exercise of options	Nil	Nil	Nil	Nil	Nil
g)	Money realized by exercise of options (₹), if scheme is implemented directly by the Company	Nil	Nil	Nil	Nil	Nil
h)	Loan repaid by the Trust during the year from exercise price received	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
i)	Number of Options outstanding at the end of the Year i.e. 31 March, 2024	2,98,967	86,104	90,572	33,165	10,000
j)	Number of Options exercisable at the end of the year i.e. 31 March, 2024	Nil	Nil	Nil	Nil	Nil
k)	Exercise price per option (Amount in ₹)	647.85	536.05	647.85	493.46	493.46

(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 are covered under Note no. 48 (c) of the Notes to the Standalone Financial Statements.

(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 as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Sr. No.	Name and Designation	Number of Option granted (ESOP 2021)		Number of Option granted (ESOP 2023)		
		Grant-1	Grant-2	Grant-1	Grant-2	Grant-3
1.	Mr. Amit Sahai	-	-	-	-	10,000
2.	Mr. Sailesh Raj Kedawat	-	-	19,940	-	-

(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

Sr. No.	Name and Designation	Number of Option granted (ESOP 2021)		Number of Option granted (ESOP 2023)		
		Grant-1	Grant-1	Grant-1	Grant-2	Grant-3
1.	Mr. Rahul Sharma	-	-	-	7,607	-

(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: **Nil**

- (vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

The fair value at grant date is determined using "Black Scholes Model" which takes into account the exercise price, term of the option, share price at grant date, expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option. Details for which are as under:

- (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;

Particulars	ESOP 2021		ESOP 2023		
	Grant 1	Grant 2	Grant 1	Grant 2	Grant 3
Grant Date	29 April, 2022	07 February, 2023	08 November, 2023	08 November, 2023	08 November, 2023
Exercise price	647.85	536.05	647.85	493.46	493.46
Weighted Average Fair value	329.74	270.33	350.98	381.85	357.33
Risk-free interest rate	6.73%-7.15%	7.19%-7.25%	7.20%-7.23%	7.20%-7.23%	7.20%
Expected life	5.5-8.5 years	5.5-8.5 years	5.5-8.5 years	4.5-7.5 years	4.5 years
Expected volatility	41.01%-43.24%	39.36%-40.92%	41.03%-46.37%	41.56%-46.37%	46.37%
Expected dividends	0.88%	0.85%	0.65%	0.65%	0.65%
The price of the underlying shares in market at the time of Option grant	647.85	536.05	657.95	657.95	657.95

- (b) the method used and the assumptions made to incorporate the effects of expected early exercise;  
Black Scholes Option Pricing Model (refer Note number 48 of the notes to Standalone Financial Statements).
- (c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;  
The volatility used in the Black Scholes Option Pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the Options.
- (d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.

Please refer Note number 48 of the notes to Standalone Financial Statements.

**Disclosures in respect of grants made in three years prior to IPO under each SAR scheme:**

Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options: Not Applicable

**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:** Not Applicable