

DISCLOSURES PURSUANT TO REGULATION 14 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 READ WITH SEBI CIRCULAR DATED JUNE 16, 2015 ON ESOP DISCLOSURES AS ON MARCH 31, 2021

The Employees' Stock Option Scheme of the Company - AACL Employees Stock Option Plan 2018 (ESOP – 2018) is in compliance with the Regulations.

(A) Relevant 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

Disclosure is provided in Notes to Audited Financial Statements for the year ended March 31, 2021.

(B) Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20

Rs.144.30.

(C) Details related to Employees' Stock Option Scheme ("ESOS") (ESOP 2018)

i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of ESOS i.e. ESOP, 2018 is summarized as under:

Particulars

a) Date of shareholders' approval	ESOP 2018 was approved by the shareholders by Special Resolution passed by Postal Ballot on January 14, 2019.
(b) Total number of options approved under ESOS	2,04,000 (Two Lakhs Four Thousand).
(c) Vesting requirements	Options granted will vest over a period of five years subject to a minimum period of one year from the date of grant of options
(d) Exercise price or pricing formula	Rs.150 and Rs.700 Rs.2600/- and Rs.1700/- and Rs.5000 and Rs.4200/-. The Exercise Price is decided by the NRC in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014 and any amendments thereto.
(e) Maximum term of options granted	Five years from the date of vesting.
(f) Source of shares (primary, secondary or combination)	Primary

(g) **Variation in terms of options** There has not been any variation in the terms of options.

ii. Method used to account for ESOS - intrinsic or fair value.

The calculation is based on Fair Value Method

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: Not applicable

The impact of this difference on profits and on EPS of the company shall also be disclosed:
Not applicable

iv. Option movement during the year (For each ESOS):

Particulars	ESOP 2018
Number of options outstanding at the beginning of the period	54,621
Number of options granted during the year	
14.08.2020	14,710
25.03.2021	5,640
	74,971
Number of options forfeited / lapsed during the year	3640
	71,331
Number of options vested during the year	
2019-20	16,319
2020-21	20,702
Number of options exercised during the year	16,319
Number of shares arising as a result of exercise of options	16,319
	3,853
	20,172
Money realized by exercise of options (INR), if scheme is implemented directly by the company	36,96,800
Loan repaid by the Trust during the year from exercise price received	N.A.
Number of options outstanding at the end of the year	51,159
Number of options exercisable at the end of the year	16,849

V. Weighted average exercise prices and weighted average fair values of Options outstanding at the end of the year whose:

Exercise price equals market price Not applicable

Exercise price is greater than market price : Not applicable

Exercise price is less than market price:

Weighted average exercise Price –

1. Rs. 150 for 28221 Options and Rs 700 for 26400 Options
2. Rs. 2600 for 7610 Options, Rs 1700 for 3100 Options and Rs. 700 for 4000 Options
3. Rs 5000 for 5040 Options and Rs. 4200 for 600 Options

Weighted average fair value of options:

1. Rs. 359.93 for 8800 Options and Rs. 399.81 for 17600 options. Rs. 687.78 for 23805 options, Rs 683.05 for 4416 options
2. Rs.1410.14 for 7610 options, Rs.1542.72 for 3100 options and Rs.2270.15 for 4000 options
3. Rs 2390.68 for 5040 Options and Rs 2735.59 for 600 Options

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 including Key Managerial Personnel:

As per Annexure - 1

(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 NIL

(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:

	1	2	3
a). the weighted-average values of share price	Rs.812.20	Rs.1410.14 / Rs.1542.72 / Rs.2270.15	Rs.2390.68 / Rs.2735.59
Exercise price	Rs.150 / Rs.700	Rs.700 / Rs.1700 / Rs.2600	Rs.4200 / Rs.5000
Expected volatility	40%	48.18%	44.81%
Expected Option life	2 to 3/3 to 6 years	3 to 6 years	3 to 6 years
Expected Dividend	Not separately included, factored in volatility		
the risk-free interest rate	7.474	5.223	5.630
Any other inputs to the model	-	-	-

- (b) the method used and the assumptions made to incorporate the effects of expected early exercise** Black Scholes
Market are efficient, Interest rates remain constant and known, Returns are normally distributed, constant volatility and Liquidity.
- (c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility** Volatility is worked out on the basis of movement of stock price based on the price data for last 12 months upto the date of grant.
- (d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition** ---

Annexure - 1

Name of Employee	Designation	No. of options granted during the year	Exercise Price
Mr. Sameer Katdare	Vice President (Technical)	750 granted on 20.08.2020 500 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Ramchandra Iyer	Vice President (Manufacturing)	750 granted on 20.08.2020 4000 granted on 20.08.2020 500 granted on 25.03.2021	Rs.2600 per option Rs.700 per option Rs.5000 per option
Mr. Rakesh Goyal	Chief Operating Officer	750 granted on 20.08.2020 500 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Girish Naik	General Manager – Marketing	600 granted on 20.08.2020 325 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. S. Saimani	General Manager (Process Engineering)	600 granted on 20.08.2020 275 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Vinay Desai	General Manager (Technology Development)	600 granted on 20.08.2020 200 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Uday Ghag	General Manager (Human Resources)	440 granted on 20.08.2020 300 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Chintamani Thatte	General Manager – Legal & Company Secretary	440 granted on 20.08.2020 200 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Amarendra Panchwadkar	General Manager - Projects	225 granted on 20.08.2020 350 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Rajesh Kawle	General Manager – Works	440 granted on 20.08.2020 300 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Vishwas J. Kad	Senior Manager - Electrical	225 granted on 20.08.2020 175 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Ashish R. Parikh	Senior Manager - Projects	225 granted on 20.08.2020 70 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Atul V. Bhosale	Senior Manager - Production	225 granted on 20.08.2020 175 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Sanjay Muralidhar Patil	Senior Manager - Mechanical Maintenance	225 granted on 20.08.2020 175 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Santosh Kumar Anand Hegde	Senior Manager - Materials	225 granted on 20.08.2020 175 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Siddhartha Dineshchandra Jhaveri	Senior Manager - Marketing	225 granted on 20.08.2020 175 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Shabbir B Ahmed	Senior Manager – Marketing	225 granted on 20.08.2020 175 granted on 25.03.2021	Rs.2600 per option Rs.5000 per option
Mr. Prasanna Somalwar	General Manager – Research & Development	1250 granted on 20.08.2020	Rs.1700 per option

Mr. Chandrakant Vinayak Watwe	Senior Manager Quality Assurance	1000 granted on 20.08.2020	Rs.1700 per option
Mr. Viswanathan Ramaswamy	Senior Manager- Research & Development	850 granted on 20.08.2020	Rs.1700 per option
Mr. Nitin Patel	Senior Manager (Works)	225 granted on 25.03.2021	Rs.5000 per option
Mr. Ajay Kanaskar	Senior Manager (P&A)	175 granted on 25.03.2021	Rs.5000 per option
Mr. Manoj Jain	Senior Manager (Marketing)	70 granted on 25.03.2021	Rs.5000 per option
Mr. Manohar Prabhu	Senior Manager (Accounts)	600 granted on 25.03.2021	Rs.4200 per option