

**DISCLOSURES PURSUANT TO REGULATION 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022.**

Sl. No.	Particulars	Employee Incentive Scheme, 2014
1.	Date of shareholders' approval	22 <sup>nd</sup> September 2014 through postal ballot
2.	Total number of options/RSU's approved under Employee Incentive Scheme 2014	49,90,000
3.	Vesting requirements	<p>The Options/RSUs granted under Employee Incentive Scheme 2014 (and various plans formulated thereunder) would vest not earlier than one year from the Grant Date in accordance with the SEBI Guidelines and not later than such Vesting Period as may be determined by the Nomination and Remuneration Committee from time to time on the Grant Date.</p> <p>Vesting of RSUs shall be subject to the condition that the Grantee is in continuous employment with the Company and is not serving any notice of resignation on the date of such Vesting (except in the case of (i) death (ii) Permanent Disability suffered by the Grantee; (iii) retirement; or (iv) transfer to an entity within the Group and shall not be subject to any pending disciplinary proceeding and thus the Options and/or RSUs would Vest on passage of time.</p> <p>In addition to the above, the Nomination and Remuneration Committee may also specify certain performance parameters subject to which the Options and/or RSUs would Vest. The specific Vesting schedule and conditions, if any, subject to which Vesting would take place would be outlined in the Letter of Grant given to the Grantee at the time of the Grant of Options and/or RSUs.</p>
4.	Exercise price or pricing formula	The Option and/ or RSU Exercise Price would be determined by the Nomination and Remuneration Committee, provided that the Exercise Price shall not be less than the face value of the equity Shares of the Company on the date of grant of Options/ RSU.

5.	Maximum term of options granted	The Options and/or RSUs Granted to a Grantee shall be capable of being Exercised within a period of not exceeding seven years from the date of Grant of the respective Options and/or RSUs or such other period as may be determined by the Nomination and Remuneration Committee from time to time.
6.	Source of shares (primary, secondary or combination)	Primary
7.	Variation in terms of options	<p>Subject to Applicable Law, the Nomination and Remuneration Committee will at its absolute discretion have the right to modify/amend the Employee Incentive Scheme 2014 in such manner and at such time or times as it may deem fit, subject however that any such modification/amendment shall not be detrimental to the interest of the Grantees/ Employees and approval wherever required for such modification/ amendment is obtained from the shareholders of the Company in terms of the SEBI Guidelines.</p> <p>During the year, no amendment/ modification/ variation has been introduced in terms of options granted by the Company.</p>
8.	Method used to account for ESOS - Intrinsic or fair value	The employee compensation cost has been calculated using the fair value method for options using the Black- Scholes Options Pricing Model and Monte Carlo simulation model for performance based conditions. The employee compensation cost as per the fair valuation method for the financial year 2021 -22 is Rs 10.00 crores
9.	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	Not applicable as the Company has calculated employee compensation cost using fair value method.

	<p>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.</p>	
<p>10.</p>	<p>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</p>	<p>Weighted average exercise price under Employee Stock Option Plan 2014 (ESOP-2014) – Rs. 2,159  Weighted average exercise price under Employee Stock Option Plan 2016 (ESOP-2016) – Rs. 2,469  Weighted average exercise price under Employee Stock Option Plan 2017 (ESOP-2017) – Rs. 2,818  Weighted average exercise price under Employee Stock Option Plan 2018 (ESOP-2018) – Rs. 2,033  Weighted average exercise price under Employee Stock Option Plan 2019 (ESOP-2019) – Rs. 1,745  Weighted average exercise price under Employee Stock Option Plan 2020 (ESOP-2020) – Rs. 2,085</p> <p>Weighted average exercise price under Restricted Stock Unit Plan 2016 (RSU 2016) – Rs. 2 (Face value of share)  Weighted average exercise price under Restricted Stock Unit Plan 2017 (RSU 2017) – Rs. 2 (Face value of share)  Weighted average exercise price under Restricted Stock Unit Plan 2018 (RSU 2018) – Rs. 2 (Face value of share)  Weighted average exercise price under Restricted Stock Unit Plan 2019 (RSU 2019) – Rs. 2 (Face value of share)  Weighted average exercise price under Restricted Stock Unit Plan 2020 (RSU 2020) – Rs. 2 (Face value of share)  Weighted average exercise price under Restricted Stock Unit Plan 2021 (RSU 2021) – Rs. 2 (Face value of share)  Weighted average exercise price under Performance Restricted Stock Unit Plan 2021 (PRSU 2021) – Rs. 2 (Face value of share)</p> <p>Weighted average option fair value under ESOP Plan 2014 – Rs. 1,228.39  Weighted average option fair value under ESOP Plan 2016 – Rs. 1,324.00  Weighted average option fair value under ESOP Plan 2017 – Rs. 1,615.00  Weighted average option fair value under ESOP Plan 2018 – Rs. 1,138.00  Weighted average option fair value under ESOP Plan 2019 – Rs. 1,067.00  Weighted average option fair value under ESOP Plan 2020 – Rs. 1,200.00</p>

Weighted average option fair value under RSU Plan 2016 – Rs. 3,290.00  
 Weighted average option fair value under RSU Plan 2017 – Rs. 3,663.00  
 Weighted average option fair value under RSU Plan 2018 – Rs. 2,672.00  
 Weighted average option fair value under RSU Plan 2019 – Rs. 2,308.00  
 Weighted average option fair value under RSU Plan 2020 – Rs. 2,686.00  
 Weighted average option fair value under RSU Plan 2021 – Rs. 2,699.00  
 Weighted average option fair value under PRSU Plan 2021 – Rs. 2,439.00

11. 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;  
 (b) the method used and the assumptions

The fair value of options/RSU's granted under various plans is estimated using the Black Scholes option pricing model after applying the following key assumption.

	ESOP 2014	ESOP 2016	ESOP 2017	ESOP 2018	ESOP 2019	ESOP 2020	RSU 2016	RSU 2017	RSU 2018	RSU 2019	RSU 2020	RSU 2021	PRSU 2021
Share Price	2995.85	3292	3757	2711	2637	3210	3292	3757	2865	2637	3210	2999	2797
Exercise Price	2159	2469	2818	2033	1745	2085	2	2	2	2	2	2	2
Risk Free Interest Rate	8.45%	7.08%	6.42%	7.00%	6.57%	5.88%	7.06%	6.42%	7.23%	6.57%	5.88%	6.27%	5.16%
Expected Life (in years)	4.85	4.85	4.85	4.85	4.85	4.85	4.55	4.55	4.55	4.55	4.55	3.37	3.37
Expected annual volatility of shares	26.87%	27.39%	23.98%	22.96%	22.54%	26.42%	113.57%	107.92%	23.17%	22.49%	26.61%	36.11%	33.30%
Expected dividend yield	3.17%	2.87%	2.56%	2.78%	2.92%	3.91%	2.87%	2.56%	2.78%	2.92%	3.91%	4.22%	3.16%

	<p>made to incorporate the effects of expected early exercise;</p> <p>(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and</p> <p>(d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition</p>	<p>The expected volatility has been calculated using the daily stock returns on NSE, based on expected life options of each vest.</p> <p>The expected life of the share option is based on historical data and current expectation and not necessarily indicative of exercise pattern that may occur.</p>
12.	<p>Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with Indian Accounting</p>	<p>Rs. 123.74 per share</p>

	Standard 33 any other relevant Indian accounting standards as prescribed from time to time	
13.	Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time	All relevant disclosures have been made in the financial statements.

#### Details of option movement during the Year

Sl. No.	Particulars	ESOP - 2014	ESOP - 2016	ESOP - 2017	ESOP - 2018	ESOP - 2019	ESOP - 2020	RSU - 2016	RSU - 2017	RSU - 2018	RSU - 2019	RSU - 2020	RSU - 2021	PRSU - 2021
1.	Number of options/RSU's outstanding at the	-	11,349	14,910	82,406	64,480	94,000	-	2,128	3,906	3,647	1,560	-	-

	beginning of the year													
2.	Number of options/RSU's granted during the year	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	39,210	34,895
3.	Number of options/RSU's forfeited / lapsed during the year	-	1,296	1,958	10,820	14,660	19,179	-	-	-	-	-	8,578	6,617
4.	Number of options/RSU's vested during the year	-	-	4,368	15,786	11,000	14,495	-	-	1,674	1,563	468	-	-
5.	Number of options/RSU's exercised during the year	-	336	265	10,726	9,458	5,106	-	2,128	1,674	1,563	468	-	-

6.	Number of shares arising as a result of exercise of options/RSU's	-	336	265	10,726	9,458	5,106	-	2,128	1,674	1,563	468	-	-
7.	Money realized by exercise of options/RSU's (INR), if scheme is implemented directly by the company	-	829,584	746,770	21,805,958	16,504,210	10,646,010	-	4,256	3,348	3,126	939	-	-
8.	Loan repaid by the Trust during the year from exercise price received	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
9.	Number of options/RSU's	-	9,717	12,687	60,860	40,362	69,715	-	-	2,232	2,084	1,092	30,632	28,279





	<p>as defined under Regulation 16(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;</p> <p>(b) any other employee who receives a grant in any one year of option/RSU amounting to 5% or more of option/RSU's granted during that year; and</p> <p>(c) identified</p>	None	None	None	None	None	None	None	None	None	None	None	Refer Note 1 below	Refer Note 1 below
		None	None	None	None	None	None	None	None	None	None	None	Refer Note 1 below	Refer Note 1 below

employee s who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstandin g warrants and conversio ns) of the company at the time of grant.														
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**Note 1:**

	Employee Name	Designation	No . of options to senior managerial personnel
<b>RSU 2021</b>			
	Vikram S. Kasbekar	Executive Director	1,637
	Surender Kumar Chhabra	Vice President - Corporate Finance	1,445
	Rakesh Vasisht	Head-Scooter business & Corporate services	383
	Malo Le Masson	Head - Global Product Planning	1,181

	Ravi Kumar Pisipaty	Head – Plant Operations	735
	Mukesh Goyal	Deputy Head – Plant Operations	820
	Mahesh Kumar Kaikini	Chief Quality Officer	660
	Michael John Peter Clarke	Chief Operating Officer & Chief Human Resource Officer	4,356*
	Niranjan Kumar Gupta	Chief Financial Officer	1,046
	Dhiraj Kapoor	Company Secretary	400
	Suresh Jagirdar	Associate Vice President – Legal	571
	Sanjay Bhan	Head – Global business	723
	Bhartendu Kabi	Head of Corporate Communications	300
		<b>Total</b>	<b>14,257</b>
<b>PRSU 2021</b>			
	Michael John Peter Clarke	Chief Operating Officer & Chief Human Resource Officer	6,633*
	Vikram S. Kasbekar	Executive Director	2,492*
	Surender Kumar Chhabra	Vice President - Corporate Finance	1,084
	Malo Le Masson	Head - Global Product Planning	1,799*
	Mukesh Goyal	Deputy Head – Plant Operations	615
	Ravi Kumar Pisipaty	Head – Plant Operations	551
	Mahesh Kumar Kaikini	Chief Quality Officer	495
	Sanjay Bhan	Head – Global business	1,100
	Rakesh Vasisht	Head-Scooter business & Corporate services	583
	Niranjan Kumar Gupta	Chief Financial Officer	1,593
	Suresh Jagirdar	Associate Vice President – Legal	869
	Dhiraj Kapoor	Company Secretary	200
	Bhartendu Kabi	Head of Corporate Communications	457
		<b>Total</b>	<b>18,472</b>

\* 5% or more options/RSU's of total granted during the year