

Report on

Disclosures of Employee Stock Options Plan and Employee  
Stock Appreciation Rights Plan

At

Genus Power Infrastructures Ltd.

***Confidentiality and Disclaimer***

Access to this document should be restricted only to personnel of Genus Power Infrastructures Ltd. (“the Company”) and their auditors with a need to know. The client shall be solely responsible for the disclosure of any confidential information made by any person who had access to the said confidential information through or under the trust of the client. No part of it may be published, circulated, quoted or reproduced for perusal, outside the client organization, without prior written approval from KP Capital Advisors Private Limited

This report is based on the information and data provided by the Company for the purpose of this report. KP Capital Advisors Private Limited assumes no responsibility of any kind and makes no warranties of any kind, whether express or implied, as to the accuracy or completeness of the information provided by the Company. This report does not constitute an audit or certification of the Company’s option plan and financials. Also, that the report is issued on the understanding that the Company has drawn our attention to all the relevant matters, of which it was aware concerning the Company’s option plan and business which may have an impact on our report.

## About the Report

The Company has granted Employee Stock Appreciation Rights (ESARs) to its employees under the Employees Stock Appreciation Rights plan 2019.

The scope of this report is provide details required to be disclosed in the financial statements of the company for financial year ended March 31, 2023.

## 1. Disclosures

Disclosures by the Board of Directors			
[See regulation 14]			
The Board of Directors in their report shall disclose any material change in the scheme(s) and whether the scheme(s) is / are in compliance with the regulations. Further, the following details, inter alia, shall be disclosed on the company's website and a web-link thereto shall be provided in the report of Board of Directors.			
<b>A.</b>	Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time. -Please refer to Note no. 35 to the Financial Statement for FY 23 (which forms part of the Annual Report 2022-23) for the relevant disclosures as per IND AS 102 - 'Share based payment'.		
<b>B.</b>	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Ind AS 33 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time. -Diluted EPS for FY 2022-23 is Re.1.25 per equity share.		
<b>C.</b>	Details related to ESOS		
(i)	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -		
	<b>Sr.No.</b>	<b>Particulars</b>	
			<b>ESOP 2012</b>
			<b>ESAR 2019</b>
	(a)	Date of shareholders' approval	December 29, 2012 and September 06, 2019
	(b)	Total number of options approved under ESOS	49,45,000
	(c)	Vesting requirements	Options granted under ESOS-2012 would vest within not less than one year and not more than six years from the date of grant of such options. Vesting of options would be subject to continued employment with the company and thus the options would vest on passage of time. In addition to this, the Nomination and Remuneration Committee (Formerly Compensation Committee) may also specify certain performance parameters subject to which the options would vest.
	(d)	Exercise price or pricing formula	The SAR price per SAR shall not be less than a 50% (fifty percent) discount to the Market Price of the Equity Shares as on date of grant.
	(e)	Maximum term of options granted	9 years from the date of Grant
	(f)	Source of shares (primary, secondary or combination)	Primary
	(g)	Variation in terms of options	No Variation
	(h)	Method of settlement (whether in cash or equity)	Equity
	(i)	Choice of settlement (with the company or the employee or combination)	Management to provide
			All vested SARs upon exercise shall be settled by way of allotment of shares. If the settlement results in fractional shares, then the consideration for fractional shares shall be settled in cash or in the manner as may be decided by the Committee.
(ii)	Method used to account for ESOS - Intrinsic or fair value.		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. The impact of this difference on profits and on EPS of the company shall also be disclosed.		No

<b>(iv) Option movement during the year (For each ESOS):</b>			
Sr No.	Particulars	ESOP 2012	ESAR 2019
1)	Number of options outstanding at the beginning of the period	15,47,435	24,03,248
2)	Number of options granted during the year	0	6,50,000
3)	Number of options forfeited / lapsed during the year	86,605	3,42,693
4)	Number of options vested during the year	73,778	80,682
5)	Number of options exercised during the year	60,846	74,072
6)	Number of shares arising as a result of exercise of options	60,846	21,852
7)	Money realized by exercise of options (INR), if scheme is implemented directly by the company	10,92,186	21,852
8)	Loan repaid by the Trust during the year from exercise price received	0	0
9)	<b>Number of options outstanding at the end of the year</b>	<b>13,99,984</b>	<b>26,36,483</b>
10)	<b>Number of options exercisable at the end of the year</b>	<b>19,782</b>	<b>80,682</b>
<b>(v) .a) Weighted-average exercise prices of options shall be disclosed separately for options whose</b>			
Sr No.	Particulars	ESOP 2012	ESAR 2019
A)	Exercise price <b>equals</b> to market price of the stock	NA	85.80
B)	Exercise price <b>exceeds</b> market price of the stock	NA	NA
C)	Exercise price is <b>less than</b> the market price of the stock	NA	NA
<b>(v) b) Weighted-average fair values of options shall be disclosed separately for options whose</b>			
Sr No.	Particulars	ESOP 2012	ESAR 2019
A)	Exercise price <b>equals</b> to market price of the stock	NA	49.81
B)	Exercise price <b>exceeds</b> market price of the stock	NA	NA
C)	Exercise price is <b>less than</b> the market price of the stock	NA	NA
<b>vi) Range of exercise prices and weighted average remaining contractual life</b>			
	Range of Exercise Price(0-50)	ESOP 2012	ESAR 2019
A)	Number of options outstanding	13,99,984	26,36,483
B)	Weighted average contractual life	4.32	6.41
C)	Weighted average exercise price (Rs.)	17.95	1.00
<b>vii) Weighted average share price on the date of exercise - For stock options/SAR exercised during the period</b>			
		ESOP 2012	ESAR 2019
	Weighted average share price on the date of exercise	84.23	82.12
<b>viii) Employee-wise details of options/SAR granted during the financial year 2022-23 to:</b>			
<b>(a) Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)</b>			
Sr.no.	Name of Employee	Number of options granted during the year	Exercise price
	<b>to be filled by company</b>		
2			
<b>(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</b>			
Sr.no.	Name of Employee	Number of options granted during the year	Exercise price
	<b>to be filled by company</b>		
2			
3			
<b>(c) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and</b>			
Sr.no.	Name of Employee	Number of options granted during the year	Exercise price
	<b>to be filled by company</b>		

A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:			
(ix)	The weighted-average values of :		
		ESOP 2012	ESAR 2019
(a)	i)	Share price(Rs.)	No options granted during the year
	ii)	Exercise price, (Rs.)	85.80
	iii)	Expected volatility (%)	85.80
	iv)	Expected option life(years)	52.50
	v)	Expected dividends (%)	6.21
	vi)	The risk-free interest rate(%)	0.29
	vii)	any other inputs to the model;	7.29
			Nil
<b>Assumption:</b>			
1)	<b>Stock Price:</b> The closing market price one day prior to the date of grant on National Stock Exchange (NSE) has been considered for the purpose of option valuation.		
2)	<b>Exercise Price:</b> We have considered the exercise price as per the information provided by the nomination & remuneration committee of the Company, which is closing market price one day prior to the date of grant on National Stock Exchange (NSE).		
3)	<b>Volatility:</b> The historical volatility over the expected life has been considered to calculate the fair value.		
4)	<b>Time to Maturity:</b> Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live.		
5)	<b>Risk-free rate of return:</b> The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the		
6)	<b>Expected divided yield:</b> Expected dividend yield has been calculated based on the dividend declared for 1 financial year prior to the date of grant. The dividend yield has been derived by dividing the		
(b)	<b>The method used and the assumptions made to incorporate the effects of expected early exercise:</b> Not Applicable		
(c)	<b>How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility:</b> The expected price		
(d)	<b>Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition:</b> NIL		