

## **EMPLOYEE STOCK OPTION SCHEME**

### **DISCLOSURE PURSUANT TO REGULATION 14 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS ON 31 MARCH 2020**

**A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share based payments' issued by Institute of Chartered Accountants of India ('ICAI') or any other relevant accounting standards as prescribed from time to time:**

The disclosures are provided in Note no. 52 of the Notes to Financial Statements of the Company for the year ended 31 March 2020

**B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations in accordance with 'Indian Accounting Standard (Ind AS) 33 - Earnings per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time: Nil**

**C. Details related to Jash Engineering Employee Stock Option Scheme 2019:**

Company has announced a scheme "Jash Engineering Employee Stock Option Scheme 2019" (herein after referred as 'the Scheme') to the employees of the Company who have completed three years in company, to align the interest of the employees with those of the Company and its shareholders and provide an opportunity to employees to participate in the growth of the Company and thereby creating long-term wealth for mutual benefit. The scheme is approved by the Board at its Board Meeting dated 28/05/2019 and further same would be approved by the Shareholders by way of postal ballot on 10<sup>th</sup> August 2019

**I. Details related to Jash Engineering Employee Stock Option Scheme 2019 are given below:**

<b>Sr. No.</b>	<b>Particulars</b>	
1.	Date of shareholders' approval	10 <sup>th</sup> August 2019
2.	Total number of options grants	481,400 options convertibles into 481,400 equity shares
3.	Vesting Requirement	The vesting period shall commence on the expiry of one year from the date of grant of options or such period as may be decided by the Compensation Committee at the time of each grant of options. The Options granted shall vest so long as the employee continues to be in the employment of the Company including subsidiary companies.
4.	Exercise price	The exercise price of the options is 20% discount on the closing market price of one day prior to the date of grant on stock exchange where the equity shares of the Company are listed.
5.	Source of shares	Primary issuance and/or Secondary Acquisition
6.	Variation in terms of ESOP	--

**II. Method used to account for ESOP** - The fair value of the equity – settled options at grant date determined using the Black Scholes Models.

**III. Where the company opts for expensing of the options using the intrinsic value of the options, difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used fair value of the options and the impact of this difference on profits and on EPS of the Company.** Not applicable

**IV. Details of Options (Option Movement during the year):**

481400 options has been granted during the year.

**V. Weighted-average exercise prices and weighted-average fair values of options whose exercise price equals or exceeds or is less than the market price of the stock** – Not applicable, no options were exercised during the year 2019-20

**VI. Employee-wise details of options granted during the year 2019-20 to:**

<b>1.</b>	<b>Senior managerial personnel &amp; others employees</b>	
	Option has been granted to the all permanent Employee of the company who have completed the 3 yrs. in the company	No. of options granted and grant price: 481400 options have been granted and Exercise price is Rs. 118.64/-
	--	--
<b>2.</b>	<b>Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year</b>	
	Name	No. of options granted
	--	--
<b>3.</b>	<b>Identified employees who were granted options, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.</b>	
	Name	No. of options granted
	--	--

**VII. A description of the method and significant assumptions used during the year to estimate the fair value of options granted during the year 2019-20 –**

1. Options will vest in a graded manner over four years from the date of grant. These options are exercisable within a period of one month of vesting
2. Exercise Price: Rs. 118.64
3. Share Price at Grant date: Rs. 148.30
4. Weighted average expected price volatility\*: 72.44%
5. Weighted average expected dividend yield: 1.36%
6. Risk-free Interest rate: 6.10% for all tranches
7. Weighted average option life: 3.08 yrs.

\* The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility based on publicly available information

#### D. Details related to Trust:

For the purposes of proper governance and implementation of the scheme Trust has been constituted by the company to act in interest and beneficial of employees who opt the scheme. Details of the trust are specified as under:

##### I. General Information:

Name of the Trust	<b>"Jash Group Employee ESOP Trust"</b>
Name of trustees	<ul style="list-style-type: none"><li>• Indrajit Singh Pawar</li><li>• Hiren Shah</li><li>• Neeraj Desai</li></ul>
Amount of loan disbursed by Company/ any company in the group, during the year.	--
Amount of loan outstanding (Repayable to Company/any company in the group) as at the end of the year.	--
Amount of loan, if any, taken from any other source for which Company/any company in the group has provided any security or guarantee.	--
Any other contribution made to the Trust during the year.	--

##### ii. Brief details of transactions in shares by the Trust

During the financial year 2019-20, the Trust has not acquired/transferred any shares of the Company. As on 31 March 2020, the Trust has no shares of the Company.

##### iii. In case of secondary acquisition of shares by the Trust

During the financial year 2019-20, no shares were acquired/transferred by secondary acquisitions.

1. There are no materially significant transactions with its promoters, the directors or the senior management personnel or relatives etc. that may have potential conflict with the interests of the Company. The disclosure in respect of related party transactions is provided in the notes on accounts. All contracts with the related parties entered into during the year are in normal course of business and have no potential conflict with the interest of the Company at large and are carried out on arm's length basis at fair market value.
2. The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company adopted adequate Internal Control.

The Company has complied with the mandatory requirements of the Listing Regulation