

NITCO LIMITED

Disclosure pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - For the financial year 2023-24

The Company had implemented an employee stock option scheme namely 'NITCO - Employee Stock Option Plan 2019' ("ESOP - 2019"/ "Plan") to attract, retain, incentivize and motivate its eligible employees vide members' resolution dated March 30, 2019 and granted employee stock options ("Options") thereunder. Thereafter, the Plan was amended with the approval of the Board in its meeting held on May 30, 2023 in order to align and comply the requirements of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

- A.** Relevant disclosures in terms the Accounting Standards (Ind-AS) 102 - 'Share based Payment' has been made in the Notes no. 2.4(c) of the Standalone Financial Statements, forming part of the Annual Report 2023-24 of the Company.
- 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 - 'Earnings Per Share' is Rs. (21.79).

C. Details related to NITCO - ESOP - 2019:

1	Description of the NITCO - ESOP - 2019 is summarized below:	
Sr. No.	Particulars	Details
a)	Date of shareholders' approval	March 30, 2019
b)	Total number of options approved	12,00,000
c)	Vesting requirements	Options granted under NITCO - ESOP - 2019 shall vest after 1 year but not later than 5(Five) years from the date of grant of such options at the discretion of the Nomination and remuneration Committee

d)	Exercise price or pricing formula	<p>The Board in its meeting had approved 12,00,000 options to be granted. Out of which on April 03 and July 08, 2019--6,12, 000 and 3,90,000 options were granted at Rs. 39.55 per options respectively.</p> <p>On March 12, 2020--160,000 options were granted at Rs. 39.55 per options. Accordingly, in total 11,62,000 were granted till date and the Company had balance 38,000 options left in the pool.</p> <p>From the financial years 2019 to 2024, 9,50,000 options were lapsed due to various reasons.</p> <p>During the Financial Year 2023-24, no options were regranted.</p>
e)	Maximum term of options granted	5 (Five) years from the date of Grant of respective options, subject to terms of exercise applicable at the time of separation, as per ESOP-2019
f)	Source of shares (primary, secondary or combination)	Primary
g)	Variation in terms of options	Not Applicable
2.	Method used to account for NITCO - ESOP - 2019 - Fair Value Method	
3.	<p>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 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>Not Applicable, as the Company had adopted fair value has been accounted</p>	
4.	Movement of options during the financial year 2023-24 are as follows:	
	Particulars	Details
a)	Number of options outstanding at the beginning of the period	2,12,000
b)	Number of options granted during the year	NIL
c)	Number of options forfeited/lapsed during the year	NIL
d)	Number of options vested during the year	53,000

e)	Number of options exercised during the Year	NIL	
f)	Number of shares arising as a result of exercise of options	NIL	
g)	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	NIL	
h)	Loan repaid by the Trust during the year from exercise price received	Not Applicable	
i)	Number of options outstanding at the end of the year (including number of options exercisable at the end of the year)	9,88,000	
j)	Number of options exercisable at the end of the year	NIL	
5.	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 2023-24.		
6.	Employee wise details of options granted during the financial year 2023-24 under NITCO - ESOP - 2019:		
a)	Senior Managerial Personnel- NIL		
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.		
		Name	No. of options granted
		None	None
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		
		Name	No. of options granted
		None	None
7.	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 the Black Scholes model which takes into account the stock price, exercise price, the term of the option, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.		

	Grant date	Risk free interest rate	Expected life (years)	Expected volatility	Dividend yield	Price of the underlying share in market at the time of the option grant (Rs.)
	Not Applicable, as no options were granted during the year.					
8.	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