

DISCLOSURES PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS 2021

SEBI vide its notification dated August 13, 2021 had issued the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 ('SEBI Regulations').

The disclosures pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 for 2018 Plan are as follows:

Sl. No.	Particulars	V.I.P. Industries Limited Employee Stock Appreciation Rights Plan 2018
1	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.	Not applicable
2	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.	
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.	Please refer to Note No. 45 of the Standalone Financial Statement.
B	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed 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	Diluted ESP on standalone basis is ₹ 4.48
C	Details related to SAR	
	(i) A description of each SAR that existed at any time during the year, including the general terms and conditions of each SAR, including	
	(a) Date of shareholders' approval	17 th July, 2018
	(b) Total number of shares approved under the SAR Scheme	The total number of ESARs to be granted shall be such which upon exercise shall not exceed 7,06,587 (Seven Lakh Six Thousand Five Hundred Eighty Seven) equity shares in the Company
	(c) Vesting requirements	All the ESARs granted on any date shall vest not earlier than minimum of 1 (One) year and not later than a maximum of 7 (Seven) years from the date of grant of ESAR.
	(d) SAR Price or Pricing Formula	The ESAR Price per ESAR shall be maximum up to 40% (Forty percent) discount on the Market Price per share as on the grant date of such ESARs as determined by the Nomination & Remuneration Committee from time to time.
	(e) Maximum term of SAR granted	All the ESARs granted on any date shall vest not later than a maximum of 7 (Seven) years from the date of grant of ESARs as stated above.
	(f) Method of settlement (whether in cash or equity)	Any or all Vested ESARs upon Exercise shall be settled by way of allotment of Equity Shares.

Sl. No.	Particulars	V.I.P. Industries Limited Employee Stock Appreciation Rights Plan 2018
	(g) Choice of settlement (with the company or the employee or combination)	With the employee
	(h) Source of shares (primary, secondary or combination)	Primary
	(i) Variation in terms of SAR	Not applicable.
	(ii) Method used to account for SAR - Intrinsic or fair value	Fair value
	(iii) Where the company opts for expensing of SAR using the intrinsic value of SAR, 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 SAR, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed	Not applicable
	(iv) SAR movement during the year:	
	• Number of SAR outstanding at the beginning of the period	10,65,000
	• Number of SAR granted during the year	2,85,000
	• Number of SAR forfeited / lapsed during the year	65,000
	• Number of SAR vested during the year	3,40,000
	• Number of SAR exercised during the year	2,25,200
	• Number of shares arising as a result of exercise of SAR	1,56,126
	• Number of SAR outstanding at the end of the year	10,59,800
	• Number of SAR exercisable at the end of the year	1,14,800
	(v) Employee wise details (name of employee, designation, number of SAR granted during the year, exercise price) of SAR granted to -	<i>Refer to Annexure 1 below</i>
	(a) senior managerial personnel;	
	(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;	
	(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 and	
	(vi) Disclosures in respect of grants made in three years prior to IPO under each SAR scheme.	Not applicable

Annexure 1
Grants made during financial year 2021- 22 to senior managerial personnel:

Name of Senior Managerial Personnel	Designation	No. of ESARs
Mr. Akash Shukla	Vice President - Human Resources	60,000
Mr. Hanumat Sastry	Vice President – Procurement	60,000
Mr. Abhinav Kapoor	Vice President Sales	60,000
Mr. Anjan Mohanty	Chief Operating Officer, (Subsidiary Company- Bangladesh)	60,000
Mr. Suhas Kshirsagar	Head Corporate Quality & After Sales Service	45,000