

DISCLOSURE MADE UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

DETAILS OF EMPLOYEE STOCK OPTION PLANS / SCHEMES

The Company had instituted various Employee Stock Option Plans / Schemes (ESOP / ESOS) for the benefit of eligible persons, with the following objectives:

- Encourage employees to continue contributing to the success and growth of the organization;
- Attract, retain and motivate employees;
- Create a sense of ownership within the organization;
- Encourage and align the interest and performance of the employees with those of the organization;
- Reward employees with ownership in proportion to their contribution;

In line with the above, various ESOP / ESOS Schemes have been formulated by the Company, which are given below:

I. Expired Schemes

- i. Employee Stock Option Plan, 2000 (ESOP 2000)
- ii. Employee Stock Option Scheme, 2003 (ESOS 2003)
- iii. Employee Stock Option Scheme, 2004 (ESOS 2004)

II. Live Schemes

- (A) Employee Stock Option Scheme, 2008 (ESOS 2008)
- (B) Employee Stock Option Scheme, 2009 - Plan A (ESOS 2009 - Plan A)
- (C) Employee Stock Option Scheme, 2009 - Plan B (ESOS 2009 - Plan B)
- (D) Employee Stock Option Scheme, 2013 (ESOS 2013)

(E) Employee Stock Option Scheme, 2014 (ESOS 2014) and

(F) Employee Stock Option Scheme, 2022 (ESOS 2022)

Details of the live schemes are given below:

A. Employee Stock Option Scheme, 2008 (ESOS 2008):

At the Extra-Ordinary General Meeting held on September 18, 2008, the Members had approved, an issue of 1,200,000 stock options convertible into equity shares of Rs.10 each. The Compensation Committee in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, (as amended from time to time) 1999, framed a detailed scheme in this regard. The options granted have a vesting period of 4 years and exercise period of 10 years from the date of the vesting of the final lot. The options other than those vested in the first lot shall vest on a Quarterly basis. The options under the first lot shall vest at the end of one year from the date of grant.

Initially, at the Meeting of the Compensation Committee held on April 11, 2009, 1,128,875 options were granted to the eligible employees at a price of Rs.53 per share, with a vesting period of 4 years and an exercise period of 10 years from the date of vesting of the final lot. Further grants of options were made to eligible employees by the Compensation Committee as follows with a vesting period of 4 years and an exercise period of 10 years from the date of vesting of the final lot:

Date of the Meeting	No. of options granted	Price per option (Rs.)
June 25, 2012	50,000	143 per share
August 23, 2012	25,000	138 per share
November 07, 2012	50,000	125 per share
July 29, 2013	95,000	87 per share
March 07, 2014	65,000	241 per share
March 27, 2014	20,000	204 per share



Consequent to the completion of Rights Issue 2013, the outstanding stock options on the record date for Rights Issue 2013 i.e., April 23, 2014 were increased by a factor of 0.049156 per option and the exercise price of the stock options was revised downwards by multiplying the same with the factor of 0.9531, thus:

Plan	Original Price (Rs.)	No. of options outstanding on April 23, 2014	Revised Price (Rs.)	Revised No. of options
ESOS 2008	53	291,023	51	305,306
	87	95,000	83	99,670
	125	50,000	119	52,458
	138	25,000	132	26,229
	143	50,000	136	52,458
	204	20,000	194	20,983
	241	65,000	230	68,195

Details of options vested, exercised, lapsed etc. for ESOS 2008 during the year are given in Table 1 – “Option movement during the FY 2022-23” at the end of this Annexure.

B. Employee Stock Option Scheme, 2009 – Plan A (ESOS 2009 – Plan A) and Employee Stock Option Scheme, 2009 – Plan B (ESOS 2009 – Plan B):

ESOS 2009 – Plan A:

The Members at the Twelfth AGM held on August 05, 2009, have approved, an issue of 500,000 options convertible into equity shares of Rs.10 each with the number of options that could be granted to the Non-Executive & Non-Independent Directors of the Company not exceeding 20,000 options per year and 100,000 options in aggregate. The Compensation Committee in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, (as amended from time to time) 1999, framed detailed schemes in this regard.

At the Meeting of the Compensation Committee held on October 27, 2009, 20,000 stock options were granted to Mr. A V Dharmakrishnan, Non-Executive & Non-Independent Director of the Company, at an exercise price of Rs.98 per share. Further 20,000 options were granted at the Meeting of the Compensation Committee held on December 22, 2011 at an exercise price of Rs.61 per share with a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot.

At the Meeting of the Compensation Committee held on March 02, 2010, 382,220 stock options were granted to the eligible employees, at an exercise price of Rs. 94 per option.

During the FY 2012-13, the Compensation Committee amended the key features of the ESOS 2009 - Plan A under the powers granted by the Members resolution passed on August 05, 2009. As per this, the Compensation Committee can fix the terms and conditions regarding vesting period and vesting pattern at the time of each grant under the Scheme.

Further to this, the Compensation Committee granted further 130,000 options to eligible employees of the Company on May 17, 2012. Out of the 130,000 options, 60,000 options were granted to Mr. Virender Aggarwal, the then CEO of the Company (ceased to be in the employment with effect from November 12, 2021), at an exercise price of Rs.115 per share, having a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot. The options other than those vested in the first lot shall vest on a quarterly basis. The options under the first lot shall vest at the end of one year from the date of grant. 20,000 options were granted to Mr. A V Dharmakrishnan, Non-Executive & Non-Independent Director of the Company, at an exercise price of Rs.10 per share, having a vesting period of 1 year and an exercise period of 10 years from the date of vesting. The remaining 50,000 options were granted to an eligible employee at an exercise price of Rs.10 per share, having a vesting period of 1 year and an exercise period of 10 years from the date of vesting.

During the FY 2013-14, the Compensation Committee granted 5,000 options on May 31, 2013 at an exercise price of Rs.10 per share to Mr. A V Dharmakrishnan, Non-Executive & Non-Independent Director of the Company with a vesting period of 1 year and an exercise period of 10 years from the date of vesting.

During the FY 2014-15, the Compensation Committee granted the following stock options on August 08, 2014 with a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot:

Category	Price (Rs.)	Number of options
Mr. Virender Aggarwal, the then CEO	356	25,000
Other employees	356	105,000

Consequent to the completion of Rights Issue 2013, the outstanding stock options on the record date for Rights Issue 2013 i.e., April 23, 2014 were increased by a factor of 0.049156 per option and the exercise price of the stock options was revised downwards by multiplying the same with the factor of 0.9531, thus:

Plan	Original price (Rs.)	No. of options outstanding on April 23, 2014	Revised price (Rs.)	Revised no. of options
ESOS 2009 – Plan A	10	25,000	10	25,000
	61	20,000	58	20,983
	94	191,431	90	200,878
	98	20,000	93	20,983
	115	60,000	110	62,949

Details of options vested, exercised, lapsed etc., for ESOS 2009 Plan - A during the year are given in Table 1 – “Option movement during the FY 2022-23”, at the end of this Annexure.

ESOS 2009 – Plan B:

The Members at the Twelfth AGM held on August 05, 2009, have approved, an issue of 750,000 options convertible into equity shares of Rs.10 each with the number of options that could be granted to the Non-Executive & Non-Independent Directors of the Company not exceeding 25,000 options per year and 150,000 options in aggregate. The Compensation Committee in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, (as amended from time to time) 1999, framed detailed schemes in this regard.

At the Meeting of the Compensation Committee held on March 02, 2010, 573,330, options were granted to the eligible employees, at an exercise price of Rs.94 per share. The options granted have a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot. The options other than those vested in the first lot shall vest on a quarterly basis. The options under the first lot shall vest at the end of one year from the date of grant.

During the FY 2012-13, the Compensation Committee amended the key features of the ESOS 2009 - Plan B under the powers granted by the Members resolution passed on August 05, 2009. As per this, the Compensation Committee can fix the terms and conditions regarding vesting period and vesting pattern at the time of each grant under the Scheme.

Further to this, the Compensation Committee granted further 85,000 options to eligible employees on May 17, 2012. Out of the 85,000 options, 25,000 options were granted to Mr. A V Dharmakrishnan, Non-Executive & Non-Independent Director of the Company, at an exercise price of Rs.10 per share, having a vesting period of 1 year and an exercise period of 10 years from the date of vesting. The balance 60,000 options were granted to Mr. Virender Aggarwal, the then CEO of the Company, at an exercise price of Rs.115 per share, having a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot.

During the FY 2014-15, the Compensation Committee granted the following stock options on August 08, 2014 with a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot:

Category	Price (Rs.)	Number of options
Mr. A V Dharmakrishnan, Non- Executive & Non-Independent Director	10	18,750
Mr. Virender Aggarwal, the then CEO	10	25,000
Mr. R Ravi Kula Chandran, CFO	10	6,250
	356	6,250
Other Employees	10	131,250
	356	113,750

Consequent to the completion of Rights Issue 2013, the outstanding stock options on the record date for Rights Issue 2013 i.e., April 23, 2014 were increased by a factor of 0.049156 per option and the exercise price of the stock options was revised downwards by multiplying the same with the factor of 0.9531, thus:



Plan	Original Price (Rs.)	No. of options outstanding on April 23, 2014	Revised Price (Rs.)	Revised No. of options
ESOS 2009 – Plan B	10	25,000	10	25,000
	94	295,210	90	309,750
	115	60,000	110	62,949

Details of options vested, exercised, lapsed etc., for ESOS 2009 Plan - B during the year are given in Table 1 – “Option movement during the FY 2022-23”, at the end of this Annexure.

C. Employee Stock Option Scheme, 2013 (ESOS 2013):

The Members at the Sixteenth AGM held on July 29, 2013, have approved, an issue of 1,000,000 stock options convertible into equity shares of Rs.10 each with the number of stock options that could be granted to the Non-Executive & Non-Independent Directors of the Company not exceeding 200,000 options per year and 400,000 options in aggregate. The Compensation Committee in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, (as amended from time to time) 1999, framed detailed schemes in this regard.

During the FY 2014-15, the Compensation Committee / NRC had granted the following number of stock options on various dates at various exercise prices:

Mr. A V Dharmakrishnan, Non-Executive & Non- Independent Director: 37,500 @ Rs.155 each and 18,750 @ Rs.356 each Mr. Virender Aggarwal, the then CEO: 50,000 @ Rs.155 each Mr. R Ravi Kula Chandran, CFO: 12,500 @ Rs.155 each

Other Employees: 20,500 @ Rs.10 each, 513,750 @ Rs.155 each, 22,500 @ Rs.250 each, 25,000 @ Rs.340 each, 7,000 @ Rs.348 each, 98,750 @ Rs.356 each, 7,500 @ Rs.426 each, 15,000 @ Rs.431 each, 17,500 @ Rs.462 each, 46,250 @ Rs.482 each, 27,500 @ Rs.679 each and 5,250 @ Rs.696 each.

During the FY 2015-16, the NRC in its Meeting held on May 11, 2015 had granted 11,875 stock options @ Rs.10 each, 23,750 stock options @ Rs.307 each and 26,875 stock options @ Rs.613 each.

During the FY 2022-23, the NRC in its Meeting held on April 29, 2022 had granted 127,500 stock options @ Rs.10 each and 127,500 stock options @ Rs.160 each.

All the above mentioned options granted have a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot.

Details of options vested, exercised, lapsed etc. for ESOS 2013 during the year are given in Table 1 – “Option movement during the FY 2022-23”, at the end of this Annexure.

D. Employee Stock Option Scheme, 2014 (ESOS 2014):

The Members vide postal ballot dated September 12, 2014 have approved, an issue of 1,000,000 stock options convertible into equity shares of Rs.10 each with the number of stock options that could be granted to the Non-Executive & Non-Independent Directors of the Company not exceeding 200,000 options per year and 400,000 options in aggregate. The Compensation Committee in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, (as amended from time to time) 1999, framed detailed schemes in this regard.

During the FY 2015-16, the NRC had granted the following no. of stock options on various dates viz., August 05, 2015, November 21, 2015, February 09, 2016 and March 04, 2016 at various exercise prices viz., 26,875 stock options @ Rs.10 each, 18,000 stock options @ Rs.155 each, 12,500 stock options @ Rs.311 each, 13,750 stock options @ Rs.345 each, 10,000 stock options @ Rs.399 each, 12,500 stock options @ Rs.533 each, 6,250 stock options @ Rs.622 each, 6,875 stock options @ Rs.690 each, 5,000 stock options @ Rs.797 each and 15,750 stock options @ Rs.1,066 each.

During the FY 2016-17, the NRC had granted the following stock options on various dates viz., April 29, 2016, June 17, 2016, August 02, 2016, August 30, 2016 and November 08, 2016 at various exercise prices viz., 20,625 stock options @Rs.10 each, 13,250 stock options @ Rs.377 each, 6,625 stock options @ Rs.753 each, 16,500 stock options @ Rs.351 each, 8,250 stock options @ Rs.701 each, 2,500 stock options @ Rs.332 each, 1,250 stock options @ Rs.663 each, 4,000 stock options @ Rs.257 each, 2,000 stock options @ Rs.513 each, 5,000 stock options @ Rs.222 each and 2,500 stock options @ Rs.443 each.

During the FY 2017-18, the NRC had granted the following stock options on various dates viz., May 29, 2017, July 21, 2017, September 11, 2017, October 13, 2017, November

02, 2017, December 15, 2017, January 16, 2018 and March 08, 2018 at various exercise prices viz., 45,000 stock options @ Rs.10 each, 12,500 stock options @ Rs.168 each, 5,000 stock options @ Rs.184 each, 10,000 stock options @ Rs.193 each, 2,500 stock options @ Rs.202 each, 7,500 stock options @ Rs.214 each, 22,500 stock options @ Rs.228 each, 17,500 stock options @ Rs.245 each, 12,500 stock options @ Rs.277 each, 6,250 stock options @ Rs.336 each, 2,500 stock options @ Rs.367 each, 5,000 stock options @ Rs.385 each, 1,250 stock options @ Rs.404 each, 3,750 stock options @ Rs.427 each, 11,250 stock options @ Rs.455 each, 8,750 stock options @ Rs.490 each and 6,250 stock options @ Rs.553 each.

During the FY 2018-19, the NRC had granted the following stock options on various dates viz., June 14, 2018 and October 04, 2018 at various exercise prices viz., 20,000 stock options @ Rs.10 each, 20,000 stock options @ Rs.163 each, 20,000 stock options @ Rs.186 each, 10,000 stock options @ Rs.326 each and 10,000 stock options @ Rs.372 each.

During the FY 2019-20, the NRC had granted the following stock options on various dates viz., April 17, 2019 and October 30, 2019 at various exercise prices viz., 12,500 stock options @ Rs.10 each, 12,500 stock options @ Rs.80 each, 12,500 stock options @ Rs.120 each, 6,250 stock options @ Rs.160 each and 6,250 stock options @ Rs.240 each.

During the FY 2020-21, the NRC had granted 25,000 Stock Options @ Rs.10 each on September 18, 2020 to Mr. A V Dharmakrishnan, Non-Executive & Non-Independent Director with a vesting period of 3 years and an exercise period of 10 years from the date of vesting and 20,000 Stock Options to Other Employees on September 18, 2020 and December 18, 2020 at various exercise prices viz., 5,000 stock options @ Rs.10 each, 5,000 stock options @ Rs.181 each, 2,500 stock options @ Rs.361 each, 5,000 stock options @ Rs.290 each and 2,500 stock options @ Rs.580 each.

During the FY 2021-22 no options were granted to employees/Option grantees.

During the FY 2022-23, the NRC had granted the following stock options on various dates viz., April 29, 2022 and June 03, 2023 at various exercise prices viz., 324,750 stock options @ Rs.10 each, 22,500 stock options @ Rs.129 each, 313,500 stock options @ Rs.160 each and 11,250 stock options @ Rs.258 each.

All the above mentioned options granted have a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot.

Details of options vested, exercised, lapsed etc. for ESOS 2014 during the year are given in Table 1 – “Option movement during the FY 2022-23”, at the end of this Annexure.

E. Employee Stock Option Scheme, 2022 (ESOS 2022):

The Members at the Twenty Fifth Annual General Meeting held on August 10, 2022, have approved, an issue of 1,500,000 stock options convertible into equity shares of Rs.10/- each with the number of stock options that could be granted to the Non- Executive Directors of the Company not exceeding 200,000 options per year and 400,000 options in aggregate. The Nomination and Remuneration Committee (designated Compensation Committee) in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, framed detailed scheme in this regard.

During the FY 2022-23, the Nomination and Remuneration Committee had granted the following stock options on September 21, 2022 and February 01, 2023 with a vesting period of 3 years and exercise period of 10 years from the date of vesting of the final lot:

Category	Price (Rs.)	Number of options
Mr. R Ravi Kula Chandran, CFO	10	25,000
	160	25,000
Mr. Raghuveer Sandesh Bilagi, COO	10	30,000
	160	30,000
Other Employees	10	407,000
	160	407,000

Details of options vested, exercised, lapsed etc. for ESOS 2022 during the year are given below in Table 1 – “Option movement during the FY 2022-23:

**Table 1 – Option movement during the FY 2022-23:**

Sl. No.	Particulars	ESOS 2008	ESOS 2009 - Plan A	ESOS 2009 - Plan B	ESOS 2013	ESOS 2014	ESOS 2022	Weighted Avg. Exercise prices (Rs.)
1.	Number of options outstanding at the beginning of the period	57,829	96,982	113,800	275,937	187,236	-	261.78
2.	Number of options granted during the year	-	-	-	255,000	672,000	924,000	74.42
3.	Number of options forfeited / lapsed during the year	2,936	11,259	28,555	61,748	86,751	13,000	245.12
4.	Number of Options vested during the year	-	-	-	-	13,508	-	N.A.
5.	Number of options exercised during the year	4,869	252	8,519	-	20,634	-	29.29
6.	Number of shares arising as a result of exercise of options	4,869	252	8,519	-	20,634	-	N.A.
7.	Money realised by exercise of options (Rs.), if scheme is implemented directly by the Company	248,319	22,680	526,710	-	206,340	-	N.A.
8.	Loan repaid by the Trust during the year from exercise price received	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
9.	Number of options outstanding at the end of the year	50,024	85,471	76,726	469,189	751,851	911,000	118.69
10.	No. of options exercisable at the end of the year	50,024	85,471	76,726	244,189	114,362	-	252.65
11.	Method of calculation of employee compensation cost	Fair Value, using Black Scholes Merton model						
12.	Fair value of the options (net off reversals due to resignation of Option Grantees) for the FY 2022-23 (using Black Scholes Merton model)	Rs.200.05 Mln.						
13.	Difference between employee compensation cost so computed using the intrinsic value for expensing of the options computed at Sl. No. 11 above and the employee cost that shall have been recognised if fair value of options computed at Sl. No. 12 above is used	Not Applicable						
14.	The impact of the difference mentioned in Sl. No. 13 above on profits and on EPS of the Company	Not Applicable						

Sl. No.	Particulars	ESOS 2008	ESOS 2009 - Plan A	ESOS 2009 - Plan B	ESOS 2013	ESOS 2014	ESOS 2022	Weighted Avg. Exercise prices (Rs.)
15.	Weighted Average exercise prices and Weighted Average fair values of options for options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price per option is Rs.126.85 Weighted average fair value per option is Rs.264.58						
16.	Weighted average share price at the date of exercise	The weighted average share price arising upon exercise of Options, based on the closing market price on National Stock Exchange of India Limited, on the date of exercise of options (the date of allotment of shares by the Allotment Committee) for the year ended March 31, 2023 was Rs.251.01						
17.	Range of Exercise Prices & Weighted Average remaining contractual life	Sl. No.	Particulars	No. of Options Out-standing		As at March 31, 2023		
						Range of Exercise Prices (Rs.)		Weighted Average remaining contractual life (years)
		1.	ESOS 2008	50,024		51 to 230		2.96
		2.	ESOS 2009 - Plan A	85,471		10 to 356		3.46
		3.	ESOS 2009 - Plan B	76,726		10 to 356		2.61
		4.	ESOS 2013	469,189		10 to 696		8.12
		5.	ESOS 2014	751,851		10 to 1066		11.45
		6.	ESOS 2022	911,000		10 to 160		12.50

Assumptions used during the year to estimate the fair value of options are given below:

i)	Weighted Average Market price	Rs.312.86
ii)	Weighted Average Exercise Price	Rs.126.85
iii)	Weighted Average Stock Volatility	42.11%
iv)	Weighted Average Risk Free Interest Rate (%)	7.50%
v)	Weighted Average expected option life	10 years
vi)	Weighted Average expected dividends	Dividend yield not considered
vii)	Methodology for determination of volatility	The volatility of the stock returns (closing price of the Company's stock on NSE) of the Company for the period of one year prior to the date of grant of options has been considered. The Company has not incorporated the early exercise of options. There are no market conditions attached to the grant and vest.

**Table 2 – Details of options granted in the FY 2022-23 to:****(These stock options were granted under ESOS 2022 on September 21, 2022)**

a.	Key Managerial Personnel	Mr. R Ravi Kula Chandran, Chief Financial Officer: 50,000 options (25,000 @ Rs.10 each and 25,000 @Rs.160 each)
b.	Employees who received a grant in the year amounting to 5% or more of options granted during the year	<p>Mr. Raghuveer Sandesh Bilagi - Chief Operating Officer: 60,000 options (30,000@ Rs.10 each and 30,000@ Rs.160 each)</p> <p>Mr. Rajiv R - Chief Human Resource Officer: 60,000 options (30,000@ Rs.10 each and 30,000@ Rs.160 each)</p> <p>Mr. Manoj Kumar Singh - Executive Vice President-Global AVN & MRO Solution - United States: 50,000 options (25,000@ Rs.10 each and 25,000@ Rs.160 each)</p> <p>Mr. Prashanth Vasu - President- President - SULOG: 50,000 options (25,000@ Rs.10 each and 25,000@ Rs.160 each)</p> <p>Mr. Sam Jacob - Senior Vice President & SBU Head-AAD - SBUAVN: 50,000 options (25,000@ Rs.10 each and 25,000@ Rs.160 each)</p> <p>Mr. Subbaraman Ramaswamy - Senior Vice President - SAL: 50,000 options (25,000@ Rs.10 each and 25,000@ Rs.160 each)</p> <p>Mr. Rohit Mathur - Senior Vice President & SBU Head - HCM - SBUHCM: 50,000 options (25,000@ Rs.10 each and 25,000@ Rs.160 each)</p>
c.	Identified employees who were granted option, 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	Nil

The above Disclosure required to be made under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is also available in the Company's website under other compliances at the following weblink: <https://www.ramco.com/periodic-compliances#OtherCompliances> .

For and on Behalf of the Board of Directors
For **RAMCO SYSTEMS LIMITED**

P R VENKETRAMA RAJA
Chairman

Place : Chennai
Date : May 17, 2023