

Disclosures pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 (“SEBI (SBEB) Regulations, 2021”) as on March 31, 2024

The details pursuant to Regulation 14 of the SEBI (SBEB) Regulations, 2021 are furnished hereunder:

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.

The Company established the Employee Stock Option Plan 2013 (the “Plan”) to attract and retain talent and remain competitive in the talent market and strengthen interdependence between individual and organization prosperity.

On April 14, 2018, pursuant to the Nomination and Remuneration Committee approval, the Company has issued following stock-based compensation:

- a. 32,595 options granted to employees at an exercise price of Rs. 10 per share (Tranche 1). These stock options will vest over one year from the grant date. These options shall be exercisable on or before five years from the date of vesting.
- b. 595,164 options granted to employees at an exercise price of Rs. 10 per share (Tranche 2). These options are issued under a graded vesting schedule, meaning that they vest rateably over three years. These options shall be exercisable on or before 5 years from the date of vesting.

c. On 14 February 2023, pursuant to the nomination and remuneration committee approval, the Company has issued following stock-based compensation:

332,500 options granted to employees at an exercise price of Rs. 10 per share (Tranche 3). These stock options will vest over one year from the grant date. These options shall be exercisable on or before five years from the date of vesting.

The Company records stock compensation expense for these options, net of estimated forfeitures on a straight-line basis over the vesting period. Tranche 1 and Tranche 2 have a grant date fair value of ₹ 126.22 per unit and ₹ 127.22 per option respectively. Tranche 3 have a grant day fair value of ₹ 63.08 per option.

Inputs into the Binomial Options Pricing Model

	Tranche 1	Tranche 2	Tranche 3
Fair Value per equity share (in Rs.)	126.22	127.22	69.55
Weighted average exercise price (in Rs.)	10	10	10
Expected volatility (*)	41.32%	42.04%	38.67%
Expected term	6 Years	8 Years	6 Years
Dividend yield	0%	0%	0%
Risk free interest rate	7.40%	7.65%	7.16%

(*) The expected price volatility is based on the historical volatility (based on the remaining life of the options) of comparable companies, adjusted for any expected changes to future volatility

Refer Note no. 44 of Standalone Financial Statements of the Company for the year ended March 31, 2024.

<p>Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time.</p> <p>Rs. 5.66/- per share</p>	
<p>Description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS</p>	<p>The aggregate number of shares to be issued under all scheme(s) whatever name called shall not exceed 2.5% of the issued equity shares of the Company.</p>
<p>Date of shareholders' approval</p>	<p>September 30, 2013</p>
<p>Total number of options approved under ESOS</p>	<p>27,43,738</p> <p>Note: The aforesaid options constitute 2.5% of paid-up share capital computed as on March 31, 2024 (Paid-up share capital of Rs. 17,033 Lakhs) and excludes allotment under ESPP of 15,06,715</p>
<p>Vesting requirements</p>	<p>Vesting of Options will commence after a minimum period of 1 year from the date of Grant and may extend up to such period as the Nomination and Remuneration Committee, may, at its discretion, determine. The Vesting may occur in tranches, subject to the terms and conditions of Vesting, as may be stipulated by the Nomination and Remuneration Committee, in its discretion, and which will include performance appraisal of the employee and achievement of other performance milestones.</p>
<p>Exercise price or pricing formula</p>	<p>The Nomination and Remuneration Committee shall from time to time fix the value of the Options. The value shall be the price at which the Options are purchased by the Employees or their nominees. The exercise price of options shall not be less than face value of equity share.</p>
<p>Maximum term of options granted</p>	<p>Vesting will occur after a minimum of 1 year of grant of options and the vested options can be exercised within 5 years from the date of vesting.</p>
<p>Source of shares (Primary, secondary or combination)</p>	<p>Primary</p>
<p>Variation in terms of options</p>	<p>Not applicable</p>
<p>Method used to account for ESOS - Intrinsic or fair value</p>	<p>Fair value</p>
<p>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</p>	<p>Not applicable</p>

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.	
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Option movement during the year (For each ESOS):

Particulars	Details
Number of options outstanding at the beginning of the period FY 24	4,58,819
Number of options granted during FY 24	0
Number of options forfeited / lapsed during FY 24	70,000
Number of options vested during FY 24	0
Number of options exercised during FY 24	3,61,938
Number of shares arising as a result of exercise of options	3,61,938
Money realized by exercise of options (INR), if scheme is implemented directly by the Company	Rs. 36,19,380
Loan repaid by the Trust during FY 24 from exercise price received	0
Number of options outstanding at the end of FY 24	26,881
Number of options exercisable at the end of FY 24	26,881
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	
Exercise Price is Rs. 10/- per share	
Weighted Average Fair-value of Options is Rs. 69.55/- per share as on March 31, 2024	
Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –	
No options granted during the FY 24	
A description of the method and significant assumptions used during the year to estimate the fair value of options	The employee compensation cost has been calculated using fair value method for options using the Binomial Option Pricing Model.
• Weighted Average values of share price	Rs. 69.55
• Exercise price	Rs. 10/-
• Expected volatility	38.67%
• Expected option life	6 years
• Expected dividends	0%
• Risk-free interest rate	7.16%
• Any other inputs to the model	Nil
Method used and the assumptions made to incorporate the effects of expected early exercise:	Not applicable
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility:	Based on historical volatility of comparable companies over periods corresponding to the remaining life of the options.
Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition:	Yes. Based on Management's best estimate for the effects of non-transferability, exercise restrictions and behavioral considerations.

The Company does not have any scheme under ESOS, SAR, GEBS/RBS or any scheme under Trust route. Hence, disclosures pertaining to these are not applicable.



COMPLIANCE CERTIFICATE

*[Pursuant to Regulation 13 of Securities Exchange Board of India
(Share Based Employee Benefits and Sweat Equity) Regulations, 2021]*

To,
The Members,
Shriram Properties Limited

We, SPNP Associates, Practising Company Secretaries have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on 29th May 2023 by the Board of Directors of **M/s. Shriram Properties Limited** (hereinafter referred to as 'the Company'), having **CIN: L72200TN2000PLC044560** and having its registered office at Lakshmi Neela Rite Choice Chamber New No.9 - Bazullah Road, T.Nagar, Chennai-600017.

This Certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "the Regulations"), for the year 2023- 24.

Management Responsibility:

It is the responsibility of the Management of the Company to implement the Employee Stock Option Scheme including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

It is our responsibility to certify whether the Company has complied with the applicable provisions of the regulations and the resolutions passed during the year ended 31st March 2024, in implementing the Employee Stock Option Scheme on the basis of information compiled or collated by the Management and the accounting and other relevant supporting records and documents provided to us for our examination.



SPNP & ASSOCIATES
Practising Company Secretaries

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snpnassociates@gmail.com # Phone: 044 4215 3510, 4320 1250, Mobile : 95660 33011

**Verification:**

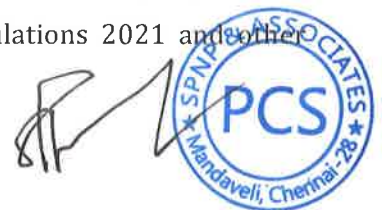
For the limited purpose of certifying the Employee Stock Option Scheme, we have examined the documents related to the Scheme like member's resolutions dated 30th September 2013, 20th November 2018, 20th November 2021 (amended), the Member's resolutions through Postal Ballot dated 18th March 2022, Board resolutions dated 14th November 2018, 19th November 2021 (amended), 28th April 2022, 28th May 2022, the Nomination And Remuneration Committee resolution dated 25th April, 2022, 28th May 2022 and 14th February 2023, Circular resolution dated 27th April 2023, 12th December 2023, 4th March 2024 and Shriram's Employee Stock Option Plan (ESOP) 2013 read with the SEBI Share Based Employee Benefits and Sweat Equity Regulations (SBEB & SE) 2021.

For the purpose of verifying the compliance of the Regulations, we have examined the following:

1. Scheme(s) received from/furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors;
4. Shareholders resolutions passed at the General Meeting(s);
5. Minutes of the meetings of the Nomination and Remuneration Committee;
6. Relevant Accounting Standards as prescribed by the Central Government;
7. Detailed terms and conditions of the scheme as approved by Nomination and Remuneration Committee;
8. Bank Statements towards Application money received under the scheme(s);
9. Exercise Price/Pricing formula;
10. Statement filed with the recognized stock exchanges(s) in accordance with Regulation 10 of these Recognized Stock Exchange in accordance with Regulation 10 of these Regulations.
11. Disclosure by the Board of Directors.
12. Relevant provisions of the Regulations of, Companies Act, 2013 and Rules made thereunder.

Certification:

The Company has listed its shares during the year 2021-2022 and the provisions pursuant to listing obligations as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021 and other applicable laws were duly complied.



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During the period under review the concerned employees have exercised 3,61,938 options pursuant to which the Company has allotted 54,069 shares on April 27,2023 , 30,817 shares on December 12, 2023 and 2,77,052 shares on 4th March 2024 by passing circular resolutions. During the year the Company has not granted any new stock options.

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the Employee Stock Option Scheme in compliance with applicable provisions and regulations.

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For SPNP & ASSOCIATES



**P Sriram
Partner**

**Membership Number: 4862
Certificate of Practice Number: 3310
Peer Review Number: 1913/2022
UDIN: F004862F001001431**

**Date: 20.08.2024
Place: Chennai**

**SPNP & ASSOCIATES
Practising Company Secretaries**

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