

Disclosures with respect to Employees Stock Option Plan/Scheme Pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on 31st March 2025:

A. Relevant 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:

Refer Note No. 28 forming part of the standalone financial statements and Note No. 30 of the consolidated financial statements for the Financial Year 2024-25. Please note that the said disclosure is provided in accordance with the Indian Accounting Standards (Ind AS) 102 – Share Based Payment.

B. 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:

Refer Note No. 28 forming part of the standalone financial statements and Note No. 30 of the consolidated financial statements for the Financial Year 2024-25. Please note that the said disclosure is provided in accordance with the Indian Accounting Standards (Ind AS) 33 – Earnings per share.

C. Details related to Usha Martin Limited Employees Stock Option Plan–2024 (ESOS):

(i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS:

The Company has instituted the Usha Martin Limited Employee Stock Option Plan–2024 (“ESOP 2024” or “the Plan”), which was approved by the Board of Directors on 12th August 2024 and by the shareholders through a special resolution on 5th October 2024. The Plan is administered by the Nomination and Remuneration Committee of the Board and is in compliance with the provisions of the Companies Act, 2013 and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The objective of the Plan is to attract, retain, and motivate employees by fostering a sense of ownership and aligning their interests with the long-term objectives of the Company.

Under the Plan, a maximum of 20,00,000 options (representing 0.66% of the paid-up equity share capital as on the effective date) may be granted to eligible employees of the Company and its group companies. The Plan may be implemented either through direct allotment of shares by the Company or by transfer of shares from Usha Martin Limited Employee Welfare Trust, an employee welfare trust established for this purpose. Each option entitles the holder to one equity share of the Company upon vesting and exercise. The vesting period ranges from a minimum of 1 year to a maximum of 5 years from the date of grant, and the exercise period shall be as determined in the respective grant letter, not exceeding 1 year from the vesting date. On 6th November 2024, the Company has granted 190,500 options under the Plan. The exercise price has been determined by the Nomination and Remuneration Committee at Rs.336 per option for the options granted on 6th November 2024.

The accounting treatment of the options is carried out in accordance with the applicable accounting standards and guidance notes prescribed by the Institute of Chartered Accountants of India.

Other details as per requirement are mentioned below:

(a) Date of shareholders' approval	5 th October 2024
(b) Total number of options approved under ESOS	20,00,000 stock options
(c) Vesting requirements	The vesting period as decided by the Nomination and Remuneration Committee ("the Committee/NRC"), shall commence in a graded manner from 2 nd anniversary of the grant till 4 th anniversary of the grant. In addition to the time-based vesting, performance based vesting criteria has also been formulated. The options shall vest subject to fulfilment of both the time based and performance based vesting criteria. The vesting will be in accordance with the Plan and SEBI Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as in effect from time to time.
(d) Exercise price or pricing formula	The stock options have been granted at Rs.336/-. The same has been arrived by applying a 20% discount (rounded to the nearest integer), on the closing market price of the Company's shares on the National Stock Exchange of India Limited as of November 6, 2024, the date of grant.
(e) Maximum term of options granted	The maximum vesting period shall not exceed more than 5 (five) years from the date of the grant.
(f) Source of shares (primary, secondary or combination)	The Usha Martin Limited Employees Stock Option Plan-2024 provides for the grant of stock options through a combination of fresh issuance of equity shares and/or acquisition of shares from the secondary market (through the Usha Martin Limited Employee Welfare Trust). The Nomination and Remuneration Committee shall have sole discretion to determine the mode of implementation — whether through primary issuance, secondary acquisition, or a combination of both.
(g) Variation in terms of options	No variation/modification/amendment was made in the term of options during the financial year 2024-25.

(ii) Method used to account for ESOS - Intrinsic or fair value

Fair value method

(iii) 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 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.

Not Applicable

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

Particulars	Details
Number of options outstanding at the beginning of the period	-
Number of options granted during the year	190500
Number of options forfeited / lapsed during the year	-
Number of options vested during the year	-
Number of options exercised during the year	-
Number of shares arising as a result of exercise of options	-
Money realized by exercise of options (INR), if scheme is implemented directly by the company	-
Loan repaid by the Trust during the year from exercise price received	-
Number of options outstanding at the end of the year	190500
Number of options exercisable at the end of the year	-

(v) Weighted-average exercise price: Rs. 336/-

Weighted-average fair value of the options: Rs. 218.64/-

(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to:

(a) senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015/Key Managerial Personnel – Refer Annexure A

(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; and – 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 – None

(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

There are various methodologies available to value an Employee Stock Option Plan. The two most commonly used methodologies are the Black-Scholes Option Valuation Model (the “Black-Scholes Model”) and the Cox-Ross Rubenstein Binomial Model (the “Binomial Model”).

Based on the terms and condition of Usha Martin Limited Employees Stock Option Plan–2024 the Company has adopted the Black- Scholes Model, method to value the option.

The following significant assumptions were used during the year to estimate the fair value options:

- The market value / fair value of the underlying asset (share)
- The exercise price of the option
- The time to expiry of the option
- The dividend yield of the underlying asset (share)
- The prevailing level of the risk-free interest rate
- The expected volatility of the value of the underlying asset (share)

Other details as per requirement are mentioned below:

- a) Weighted-average value of share price - Rs.218.64/-
Exercise price - Rs.336/-
Expected volatility - 50.51%
Expected option life - 4.25 years
Expected dividends - 0.88%
Risk-free interest rate - 6.66%
- b) the method used and the assumptions made to incorporate the effects of expected early exercise : Black – Scholes Options Pricing Model
- c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility: Expected volatility is based on the historical volatility of the share price of the Company, over a period corresponding to the remaining expected option life.
- d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition: Market price of the underlying share was also used in determining the fair value of option.

Disclosures in respect of grants made in three years prior to IPO under each ESOS:

Not Applicable

D. Details related to Trust

The details, *inter alia*, in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are provided hereunder:

(i) General information on all schemes

Sl. No.	Particulars	Details
1.	Name of the Trust	Usha Martin Limited Employee Welfare Trust
2.	Details of the Trustee(s)	1) Mr. Gouri Shankar Rathi 2) Mr. Dhanraj Parihar
3.	Amount of loan disbursed by the Company/any company in the Group, during the year	Rs. 6,60,00,000/-
4.	Amount of loan outstanding (repayable to Company/any company in the Group) as at the end of the year	Rs. 6,53,00,000/-
5.	Amount of loan, if any, taken from any other source for which Company/any company in the Group has provided any security or guarantee	None
6.	Any other contribution made to the Trust during the year	Rs. 10,000/- (Initial corpus from the Company.)

(ii) **Brief details of transactions in shares by the Trust**

(a)	Number of shares held at the beginning of the year;	NIL
(b)	Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid-up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share;	1,90,500 shares (constituting 0.06% of the paid-up equity shares of the Company) were acquired by the Trust through secondary acquisition. Weighted average cost of acquisition per share is Rs. 341.59/-.
(c)	Number of shares transferred to the employees / sold along with the purpose thereof;	NIL
(d)	Number of shares held at the end of the year.	1,90,500

(iii) **In case of secondary acquisition of shares by the Trust**

Particulars	Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
Held at the beginning of the year	NIL	NIL
Acquired during the year	1,90,500	0.06%
Sold during the year	NIL	NIL
Transferred to the employees during the year	NIL	NIL
Held at the end of the year	1,90,500	0.06%

Annexure A

Name of Senior Management Personnel/Key Managerial Personnel	Designation	No. of Options Granted	Exercise Price (Rs.)
Mr. SBN Sharma	Whole time Director	4,000	336/-
Mr. Abhijit Paul	Chief Financial Officer	4,000	336/-
Mr. Chirantan Chatterjee*	President (Sales & Marketing)	4,000	336/-
Mr. Manish Agarwal	Company Secretary & Compliance Officer	3,000	336/-

* Appointed as Whole time Director for five (5) years effective from 12th May 2025.