ANNEXURE – I

Disclosures as required under Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

S. No.	Particulars	ESOP-2021	ESOP-2024
1	**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 42 of standalone financial statements for the year ended 31st March 2025 for details.	
2	**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.**	₹ 4.31 (Please refer note no. 32 to the Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2025).	
3	**Details related to ESOS**		
(i)	***A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including***	***ESTER EMPLOYEES STOCK OPTION PLAN-2021***.	***ESTER EMPLOYEES STOCK OPTION PLAN-2024***
(a)	Date of shareholders' approval	26th March, 2021	16th October 2024
(b)	Total number of options approved under ESOS	8,00,000 (Eight Lacs), which will be available for grant to eligible employees/Directors of the Company / Subsidiary(ies)	18,75,000 (Eighteen Lakh Seventy Five Thousand), which will be available for grant to eligible employees /Directors of the Company / Subsidiary(ies)

(c)	Vesting requirements	Vesting of the options shall take place over a maximum period of 6 (Six) years from the date of grant. The Nomination & Remuneration Committee at the time of grant may specify certain criteria linked to the individual and/or organisational performance or any other criteria as it may deem fit for all or a part of the Options, the fulfilment of which might be a requisite for the options to vest. The minimum vesting period will be 1 (One) year from the date of grant.	The Options granted may have time-based Vesting condition or performance- based vesting condition or a combination of time-based and performance-based which shall be prescribed in the Letter of Grant. The Options granted shall vest for a period not less than 1 (one) year (except where Vesting is triggered due to death of participant or On Permanent Disability / Incapacity of Participant) from the Grant Date and shall extend upto a maximum period of 5 (Five) years from the Grant Date, at the discretion of and in the manner prescribed by the Committee and set out in the Grant Letter.
(d)	Exercise price or pricing formula	10% less than Fair Share Price i.e. ₹ 105/- per option	20% less than Fair Share Price i.e. Rs. 114/- per option
(e)	Maximum term of options granted	Vesting of the options shall take place over a maximum period of 6 (Six) years from the date of grant. The Exercise period shall be of maximum period of 8(Eight) years from the date of grant.	Vesting of the options shall take place over a maximum period of 5 (Five) years from the date of grant. The Exercise Period shall be of is maximum 5 (five) years from the date of respective Vesting for the particular Option
(f)	Source of shares (primary, secondary or combination)	Primary	Primary
(g)	Variation in terms of options	None	None
(ii)	***Method used to account for ESOS - Intrinsic or fairvalue.***	Fair Value method using option pricing viz. Black Scholes Method	Fair Value method using option pricing model viz. Black Scholes 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 fairvalue of the options shall be disclosed. The impact ofthis difference on profits and on EPS of the company shall also be disclosed.***	Not Applicable as the Company has accounted for the Stock Option at Fair Value using the Black Scholes Model as detailed in Note No. 42 to the Notes to Standalone Financial Statements for FY 2024-25.	
(iv)	***Option movement during the year (For each ESOS):***		
(a)	Number of options outstanding at the beginning of the period	248179	Nil
(b)	Number of options granted during the year	Nil	143742
(c)	Number of options forfeited / lapsed during *the* year	58586	Nil
(d)	Number of options vested during the year	74454	Nil

<table>
<tr><td>(e)</td><td>Number of options exercised during the year</td><td>87880</td><td>Nil</td></tr>
<tr><td>(f)</td><td>Number of shares arising as a result of exercise of options</td><td>87880</td><td>Nil</td></tr>
<tr><td>(g)</td><td>Money realized by exercise of options (₹), if scheme is implemented directly by the company</td><td>₹ 92,27,400</td><td>Nil</td></tr>
<tr><td>(h)</td><td>Loan repaid by the Trust during the year from exerciseprice received</td><td>NA</td><td>NA</td></tr>
<tr><td>(i)</td><td>Number of options outstanding at the end of the year</td><td>101713</td><td>143742</td></tr>
<tr><td>(j)</td><td>Number of options exercisable at the end of the year</td><td>61028</td><td>Nil</td></tr>
<tr><td>(v)</td><td>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 ofthe stock.</td><td>Weighted Average Exercise price- ₹ 105/- per option.
Weighted average fair values-
<table>
<tr><th>Date of Grant</th><th>Date of Vesting</th><th>Weighted Average fair value of option</th></tr>
<tr><td>1^{st} April, 2021</td><td>1^{st} April, 2022</td><td>57.97</td></tr>
<tr><td>1^{st} April, 2021</td><td>1^{st} April, 2023</td><td>60.08</td></tr>
<tr><td>1^{st} April, 2021</td><td>1^{st} April, 2024</td><td>64.91</td></tr>
<tr><td>1^{st} April, 2021</td><td>1^{st} April, 2025</td><td>67.29</td></tr>
</table></td><td>Weighted Average Exercise price- ₹ 114/- per option.
Weighted average fair values-
<table>
<tr><th>Date of Grant</th><th>Date of Vesting</th><th>Weighted Average fair value of option</th></tr>
<tr><td>14^{th} January 2025</td><td>14^{th} January 2026</td><td>71.00</td></tr>
<tr><td>14^{th} January 2025</td><td>14^{th} January 2027</td><td>79.00</td></tr>
<tr><td>14^{th} January 2025</td><td>14^{th} January 2028</td><td>87.00</td></tr>
<tr><td>14^{th} January 2025</td><td>14^{th} January 2029</td><td>92.00</td></tr>
</table></td></tr>
<tr><td>(vi)</td><td colspan="3">Employee wise details (name of employee, designation, number of options granted during the year, exercise price)of options granted to -</td></tr>
<tr><td>(a)</td><td>senior managerial personnel as defined under Regulation16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015</td><td>During the financial year under review, no stock options were granted under the ESOP - 2021 Scheme of the Company.</td><td>1. Mr. Vaibhav Jha, Deputy Chief Executive Officer – 70000
2. Mr. Pradeep Kumar Rustagi, Executive Director-Corporate Affairs- 27437
3. Mr. Sourabh Agarwal, Chief Financial Officer– 20723
4. Ms. Adhrua Minocha, Chief Human Resource Officer-11269
5. Mr. Rajendra Gaur, Head Manufacturing operations– 14313

Exercise Price per option is ₹ 114/-</td></tr>
</table>

(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	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	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:*** ***Description of the method and assumption considered for valuation:*** *Please refer "Annexure -A"*		
(a)	the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;		Refer below

ESOP-2021

Grant Date	Vesting Date	No. of ESOPs	Weighted average value of share price	Exercise price	Expected Volatility (Standard Deviation)	Expected option Life (In years)	Risk Free Interest Rate (Continuously compounded)	Dividend Yield
1st April, 2021	1st April, 2022	24817.90	57.97	105	55.72%	4.50	5.49%	1.79%
1st April, 2021	1st April, 2023	49635.80	60.08	105	55.64%	5.00	5.64%	1.79%
1st April, 2021	1st April, 2024	74453.70	64.91	105	60.05%	5.00	5.77%	1.79%
1st April, 2021	1st April, 2025	99271.60	67.29	105	61.03%	6.00	5.90%	1.79%

ESOP-2024

Grant Date	Vesting Date	No. of ESOPs	Weighted average value of share price	Exercise price	Expected Volatility (Standard Deviation)	Expected option Life (In years)	Risk Free Interest Rate (Continuously compounded)	Dividend Yield
14th January 2025	14th January 2026	35936	71.00	114	47.07%	3.50	6.68%	0%
14th January 2025	14th January 2027	35936	79.00	114	48.84%	4.50	6.68%	0%
14th January 2025	14th January 2028	35935	87.00	114	51.06%	5.50	6.72%	0%
14th January 2025	14th January 2029	35935	92.00	114	50.47%	6.50	6.73%	0%

(b)	the method used and the assumptions made to incorporate the effects of expected early exercise;	Not Applicable
(c)	how expected volatility was determined, including anexplanation of the extent to which expected volatility was based on historical volatility; and	The expected price volatility is determined using annualized standard deviation (a measure of volatility used in Black- Scholes- option pricing) and the historic volatility based on remaining life of the options.
(d)	whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.	There are no market conditions attached to the grant and vest

ester INDUSTRIES LTD.

Annexure-A

ESOP-2021	ESOP-2024
The Company has adopted Black Scholes Model for valuation of ESOPs. We have allotted 100% weight to Black Scholes Model.	
Black-Scholes option pricing model (also called Black Scholes Model) values a European-style call or put option based on the current price of the underlying (asset), the option's exercise price, the underlying's volatility, the option's time to expiration and the annual risk-free rate of return. The Black- Scholes model values a call option by weighting the current price of the underlying asset with the probability that the stock price will be higher than the exercise price and subtracting the probability weighted present value of the exercise price. The value of a call option at expiration equals the spot price of the underlying asset minus its exercise price (also called the strike price) i.e. at which the option entitles you to purchase the underlying asset.	
Current Stock Price (Underlying Price)	
For the purpose of valuation, the current stock price has been considered at ₹116.75 per share, being the closing price on 31st March, 2021 at the National Stock Exchange of India Ltd., which recorded the higher trading volume."	For the purpose of valuation, the current stock price has been considered at ₹143 per share, being the closing price on 13th January 2025 at the National Stock Exchange of India Ltd., which recorded the higher trading volume."
Annual Volatility of Stock Price (Standard Deviation)	
For the purpose of valuation of ESOP, the nnualized standard deviation of the stock price is considered to be 55.72%, 55.64%, 60.05% and 61.03% for Type I, II, III and IV of options respectively as referred in above point (vii) (a).	For the purpose of valuation of ESOP, the nnualized standard deviation of the stock price is considered to be 47.07%, 48.84%, 51.06% and 50.47% for Type I, II, III and IV of options respectively as referred in above point (vii) (a).
Risk Free Rate	
Risk Free return has been considered as Zero Coupon Bond Yield (continuously compounded) for a term equal to the expected option life of the ESOP's, available on The Clearing Corporation of India Limited's (CCIL) website	Risk Free return has been considered as Annual Yeild on Government securities for a term equal to the expected option life of the ESOP's, available on the Financial Benchmarks India Private Limited website.
Time remaining till expiration	
As per the ESOP policy of the company, the exercise period is 8 years, from the date of grant. The time period till expiration of option has been calculated separately for each class of option, by using [t = Remaining vesting period + Half of remaining Expiration period after the Vesting period].	As per the ESOP policy of the company, the total vesting period of ESOP's is 4 years from the date of grant and total exercise period is 5 years, from the date of vesting of each tranche. The time period till expiration of option has been calculated separately for each tranche of option, by using [t = Remaining vesting period + Half of remaining Expiration period after the Vesting period].
Strike Price	
The strike price of the options is considered as per the ESOP policy of the company i.e. ₹ 105 /-per share as approved by Nomination and Remuneration Committee	The strike price of the options is considered as per the ESOP policy of the company i.e. ₹ 114/- per share as approved by Nomination and Remuneration Committee

****