

Part F- Disclosures by the Board of Directors

Disclosures under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014

- A. Relevant disclosures in terms of the “Guidance Note on Accounting for Employee Share based Payments” issued by ICAI has been made in Note no. 42 of the Notes to Standalone Financial Statements and Consolidated Financial Statements forming part of the Annual Report for the Financial Year 2023-24.
- B. Information regarding Diluted Earnings Per Share on issue of shares pursuant to all the schemes covered under this Regulations in accordance with ‘Indian Accounting Standard 33 - Earnings Per Share’ issued by ICAI or any other relevant accounting standards as prescribed from time to time is disclosed in the notes to the financial statements.
- C. Summary

For the financial year ended March 31, 2024, the Company has the following Schemes as given below:

1. Sula Vineyards Limited Employee Stock Option Scheme 2020 {“ESOS 2020”}*
2. Sula Vineyards Employee Stock Option Scheme 2021 {“ESOS 2021”}
3. Sula Employee Stock Option Scheme 2023 “ESOS 2023”/ “Scheme”)

**Note: The entire pool under the said scheme being exhausted, the said scheme is considered extinguished*

Accordingly, the disclosures pertaining to stock options granted by the Company under the aforesaid Schemes and as required under the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2015.

D. Details related to ESOS

Particulars	ESOS 2020	ESOS 2021	ESOS 2023
(i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -			
Date of shareholders' approval	29 th September, 2020 Amended on 7 th March, 2022	30 th July, 2021 Amended on 7 th March, 2022 and 25 th March, 2023	18 th December 2023
Total number of options approved under ESOS	50,000	18,79,750	6,85,000
Vesting requirements:	each such grants shall vest over a period of next 3 (three) years as per details given below or on the consummation of the IPO of the Company, whichever is earlier, provided one year has passed from the date of grant of the Options.	the Options shall vest with the Participant on the date of the consummation of the IPO and such Participant shall be entitled to exercise such number of Options as determined in accordance with the provisions of scheme	All the Options granted under the Scheme shall vest at the end of 3 (three) years from the date of Grant.

Exercise price or pricing formula	Rs. 170/-	Rs. 170/-	Rs. 470/-
Maximum term of options granted	Options Granted shall be exercisable as soon as they are vested and upon an Option becoming exercisable, such Option shall be capable of being exercised over a maximum period of 6 (six) months from the date of Vesting or from the date of the consummation of the IPO of the Company, whichever is later	Options Granted shall be exercisable as soon as they are vested and upon an Option becoming exercisable, such Option shall be capable of being exercised over a maximum period of 6 (six) months from the date of Vesting or from the date of the consummation of the IPO of the Company, whichever is later	The Exercise Period in respect of an Option shall be subject to a maximum period of 6(Six) months from the date of Vesting of Options. All the Vested Options can be exercised by the Option Grantee at one time or at various points of time within the Exercise Period or as may be decided by the Committee.
Source of shares (primary, secondary or combination)	Primary	Primary	Primary
Variation in terms of options	Nil		
ii) Method used to account for ESOS - Intrinsic or fair value	Fair Value	Fair Value	Fair Value
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	Not Applicable	Not Applicable

iv) Option movement during the year (For each ESOS):			
Number of options outstanding at the beginning of the period	33,335	91,422	Nil
Number of options granted during the year	Nil	59,200	6,05,000
Number of options forfeited / lapsed during the year	Nil	12,050	Nil
Number of options vested during the year	16,670	38,100	Nil
Number of options exercised during the year	30,000	83,260	Not Applicable
Number of shares arising as a result of exercise of options	Nil	83,260	Not Applicable
Money realized by exercise of options (INR), if scheme is implemented directly by the company	Nil	Nil	Nil
Loan repaid by the Trust during the year from exercise price received	Not Applicable	Not Applicable	Not Applicable
Number of options outstanding at the end of the year	Nil	44,272	80,000
Number of options exercisable at the end of the year	Nil	Nil	Nil

- (i) 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.
- (ii) 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; -
- ESOS 21 – GM
ESOS 23- AVP
- (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 - Nil

- (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.- Nil

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

Fair value of the options has been calculated using Binomial/Black Scholes Pricing Model. The following inputs were used to determine the fair value for options granted during the year:

Particulars	ESOS 2020 (2)	ESOS 2020 (3)	ESOS 2021	ESOS 2021 (2)	ESOS 2021 (3)	ESOS 2021 (4) ^
	1 Year Vesting year	1 Year Vesting year	1 Year Vesting year	1 Year Vesting year	1 Year Vesting year	2 Year Vesting year
Date of Grant	15 July 2021	19 May 2022	30 July 2021	19 May 2022	25 Mar 2023	01 June 2023
Market Price (INR)	122.8	155.10	122.8	155.10	359.25	423.35
Expected life (in years)	1.17	1.25	1.61	1.25	1.26	2.26
Volatility*	43.03%	46.91%	43.07%	46.91%	44.48%	48.73%
Risk Free rate (%)	3.78%	5.43%	4.15%	5.43%	7.03%	6.76%
Exercise Price	170	170	170	170	170	170.00
Dividend Yield (%)	2.44%	3.16%	2.44%	3.16%	1.36%	1.97%
Option Fair Value (INR)	9.68	27.20	13.54	27.20	199.96	265.3

Particulars	ESOS 2023 ^	ESOS 2021 (5) ^
	3 Year Vesting year	1 Year Vesting year
Date of Grant	20 February 2024	01 September 2023
Market Price (INR)	569.10	489.50
Expected life (in years)	3.25	1.25
Volatility*	39.16%	32.82%
Risk Free rate (%)	6.96%	6.90%
Exercise Price	470.00	170.00
Dividend Yield (%)	1.47%	1.71%
Option Fair Value (INR)	226.45	323.25

Volatility has been calculated based on the daily closing market price of listed peer companies. Weighted average of these companies has been taken into account for the purpose of calculating fair values to reduce any company specific variations.

- (iv) Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market conditions etc- Not applicable
- (v) To calculate the expected life, the average of minimum & maximum life of the options is considered.

Minimum Life = Vesting date - Grant Date

Maximum Life = Exercise end date - Grant date.

For exercise end date, the early exercise date of the option is considered.

“For ESOP schemes ESOS 2020, ESOS 2021 and ESOS 2023 transferability of stock options, price of underlying shares, seniority of employees, expected volatility of shares, historical trend of similar options and lock in period of the shares are considered to determine exercise period”