

ANNEXURE - C
DISCLOSURE IN RELATION TO PROTEAN eGOV TECHNOLOGIES LIMITED -
EMPLOYEE STOCK OPTION PLAN, 2017 (ESOP 2017)

[Pursuant to Regulation 14 read with Part F of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB&SE Regulations") and Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014]

A. Relevant disclosures in terms of the accounting standards in terms of Section 133 of the Companies Act, 2013 including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time

Please refer Note no. 30 forming part of the standalone financial statements and Note no. 31 of the consolidated financial statements for the FY 2023-24. Please note that the said disclosure is provided in accordance with the 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'

Please refer Note no. 21 forming part of the standalone financial statements and Note no. 21 of the consolidated financial statements for the FY 2023-24. Please note that the said disclosure is provided in accordance with the Ind AS 33 - Earnings per share.

C. Details related to ESOP

(i) A description of each ESOP that existed at any time during the year

Particulars	Details
(a) Date of shareholders' approval	Date of institution of Scheme – December 4, 2017 Date of amendment of Scheme – December 3, 2020 and September 23, 2021 Date of ratification of Scheme by the shareholders (post IPO) – February 17, 2024
(b) Total number of options approved under ESOP	26,00,000
(c) Vesting requirements	Certain fixed percentage of the options granted shall vest every year starting from one year from date of grant or as may be determined by the Nomination Remuneration Committee.
(d) Exercise price or pricing formula	The exercise price shall not be less than the face value and shall not be more than fair market value (FMV) of an equity share of the Company at the time of grant of options, as may be determined by the Nomination Remuneration Committee.
(e) Maximum term of options granted	Options granted on any date shall vest not earlier than 1 (one) year and not later than a maximum of 4 (four) years from the date of grant of options, as may be determined by the Nomination and Remuneration Committee. The exercise period would commence from the date of vesting and shall be up to 5 (five) years from the date of respective vesting or such period as may be decided by the Nomination and Remuneration Committee.
(f) Source of shares (primary, secondary or combination)	Primary
(g) Variation in terms of options	No variation / modification / amendment was made in the term of options during FY 2023-24.

(ii) Method used to account for ESOP

The fair value of stock options has been calculated using the Black-Scholes Option Pricing model.

(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

Particulars	Details
Number of options outstanding at the beginning of the period	1,25,037
Number of options granted during the year	6,42,774
Number of options forfeited / lapsed during the year	29,608
Number of options vested during the year	97,522
Number of options exercised during the year	25,338
Number of shares arising as a result of exercise of options	25,338
Money realized by exercise of options (INR), if scheme is implemented directly by the company	₹ 1,24,29,396.00
Loan repaid by the Trust during the year from exercise price received	Not Applicable
Number of options outstanding at the end of the year	7,12,865
Number of options exercisable at the end of the year	70,159

(v) 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

Particulars	Price / Value (in ₹)
Weighted average exercise price of Options granted during the year whose	
Exercise price equals market price	803.88
Exercise price is greater than market price	NA
Exercise price is less than market price	10
Weighted average fair value of options granted during the year whose	
Exercise price equals market price	327.76
Exercise price is greater than market price	NA
Exercise price is less than market price	740.38

(vi) Employee wise details of options granted during FY 2023-24**(a) Key Managerial Personnel and Senior Managerial Personnel**

Name	Designation	No. of options	Exercise price
Mr. Suresh Sethi	Managing Director & CEO	29,989	₹ 803.88
		13,549	₹ 10.00
Mr. Jayesh Sule	Wholetime Director & COO	25,793	₹ 803.88
		11,653	₹ 10.00
Mr. Sudeep Bhatia	Chief Financial Officer	8,443	₹ 803.88
		5,722	₹ 10.00
Mr. Bertram D'souza	Chief Product & Innovation Officer	8,355	₹ 803.88
		5,663	₹ 10.00
Ms. Dipali Sheth	Chief Human Resources Officer	7,972	₹ 803.88
		5,403	₹ 10.00
Mr. Amit Sinha	Group Head - Social Security & Welfare	7,853	₹ 803.88
		5,322	₹ 10.00
Mr. Gopa Kumar T. N.	Chief Business Officer	7,465	₹ 803.88
		5,059	₹ 10.00
Mr. Hiten Mehta	Group Head - Business Operations	6,363	₹ 803.88
		4,312	₹ 10.00
Mr. Kapil Kapoor	Chief Risk & Compliance Officer	6,227	₹ 803.88
		4,220	₹ 10.00
Mr. Gaurav Ramdev	Chief Growth & Marketing Officer	5,692	₹ 803.88
		3,054	₹ 10.00
Mr. Dharmesh Parekh	Chief Information Officer	3,832	₹ 803.88
		2,597	₹ 10.00
Mr. Metesh Bhati	Chief Digital & AI Officer	3,394	₹ 803.88
		2,300	₹ 10.00
Mr. Dattaram Mhadgut	Chief Technology Officer	2,846	₹ 803.88
		1,929	₹ 10.00
Mr. Tejas Desai	Group Head - Internal Audit	2,627	₹ 803.88
		1,781	₹ 10.00
Mr. Maulesh Kantharia	Company Secretary & Compliance Officer	1,341	₹ 803.88
		2,424	₹ 10.00

(b) Employees who receives a grant in any one year of option amounting to 5% or more of option granted during that year

Name	Designation	No. of options	Exercise price
Mr. Suresh Sethi	Managing Director & CEO	29,989	₹ 803.88
		13,549	₹ 10.00
Mr. Jayesh Sule	Wholetime Director & COO	25,793	₹ 803.88
		11,653	₹ 10.00

(c) 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) Description of the method and significant assumptions used during the year to estimate the fair value of options

The fair value of stock options has been calculated using the Black-Scholes Option Pricing model.

The weighted average remaining contractual life for the options outstanding was 4.52 years.

The weighted average share price for the options exercised during the year was ₹ 803.88.

The weighted average fair value of the options granted during the year was ₹ 545.09.

The weighted average share price for the options granted during the year was ₹ 803.88.

The Assumptions used in the model are as follows:

Particulars	Details			
Exercise Price (₹)	803.88	803.88	803.88	10.00
Risk-Free Interest Rate	7.25%	7.28%	7.26%	7.26%
Expected Life	1 year	2 years	3 years	3 years
Expected Volatility	47.30%	53.39%	55.00%	55.00%
Dividend Yield	1.26%	1.26%	1.26%	1.26%
Price of the underlying share in market at the time of the option grant (₹)	256.24	331.53	378.58	740.38

Disclosures in respect of grants made in three years prior to IPO

Other than information disclosed above, details of options granted, exercised, lapsed and other information regarding ESOP 2017 are as under:

(i) Option movement

Particulars	2022-23	2021-22	2020-21
Number of options outstanding at the beginning of the period	83,256	2,92,719	3,80,492
Number of options granted during the year	1,74,795	38,240	60,000
Number of options forfeited / lapsed during the year	12,524	3,089	16,294
Number of options vested during the year	58,240	1,02,393	1,03,169
Number of options exercised during the year	37,318	2,44,614	1,31,481
Number of shares arising as a result of exercise of options	37,318	2,44,614	1,31,481
Money realized by exercise of options (INR), if scheme is implemented directly by the company	7,815,580	7,58,30,340	4,07,59,110
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	2,08,209	83,256	2,92,719
Number of options exercisable at the end of the year	38,368	27,196	1,70,326

- (ii) **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**

Particulars	Price / Value (in Rs.)		
	2022-23	2021-22	2020-21
Weighted average exercise price of Options granted during the year whose			
Exercise price equals market price	NA	NA	NA
Exercise price is greater than market price	NA	NA	NA
Exercise price is less than market price	499.54	10.00	310.00
Weighted average fair value of options granted during the year whose			
Exercise price equals market price	NA	NA	NA
Exercise price is greater than market price	NA	NA	NA
Exercise price is less than market price	512.84	616.02	294.66

- (iii) **Employee wise details of options granted**

- (a) **Key Managerial Personnel and Senior Managerial Personnel**

Name	Designation	No. of options		
		2022-23	2021-22	2020-21
Mr. Suresh Sethi	Managing Director & CEO	45,235	1,500	60,000
Mr. Jayesh Sule	Wholetime Director & COO	37,938	1,500	-
Mr. Sudeep Bhatia	Chief Financial Officer	9,004	-	-
Mr. Bertram D'souza	Chief Product & Innovation Officer	8,264	-	-
Ms. Dipali Sheth	Chief Human Resources Officer	8,146	-	-
Mr. Metesh Bhati	Chief Digital & AI Officer	8,500	-	-
Mr. Shreejit Nair	Senior Vice President (CBO Department)	7,225	-	-
Mr. Tejas Desai	Group Head - Internal Audit	-	500	-
Mr. Maulesh Kantharia	Company Secretary & Compliance Officer	-	200	-

- (b) **Employees who receives a grant in any one year of option amounting to 5% or more of option granted during that year**

Name	Designation	No. of options		
		2022-23	2021-22	2020-21
Mr. Suresh Sethi	Managing Director & CEO	45,235	-	60,000
Mr. Jayesh Sule	Wholetime Director & COO	37,938	-	-
Mr. Sudeep Bhatia	Chief Financial Officer	9,004	-	-

- (c) **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 of the employees were granted options equal to or exceeding 1% of the issued capital during 2022-23, 2021-22 and 2020-21.

(iv) Description of the method and significant assumptions used during the year to estimate the fair value of options

Particulars	Details		
	2022-23	2021-22	2020-21
Risk-Free Interest Rate	7.21%	4.72%	4.54%
Expected Life (years)	2.49	2.50	2.83
Expected Volatility	66.54%	78.12%	94.64%
Dividend Yield	1.26%	1.39%	2.14%
Price of the underlying share in market at the time of the option grant (Rs.)	795.85	647.00	468.00

All the relevant details of the Company's ESOP 2017 are provided above and are also available on the website of the Company at <https://www.proteantech.in/financial-reports/>.

For and on behalf of the Board of Directors of
Protean eGov Technologies Limited

Date: August 5, 2024
Place: Mumbai

Sd/-
Shailesh Haribhakti
Chairman
DIN: 00007347