



Precision Camshafts Limited Employee Stock Option Scheme 2015 (PCL ESOS 2015)

[Disclosures pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) read with SEBI circular no. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 for the financial year ended 31st March 2023]

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

Please refer Note No. 32 of the Notes Forming Part of the Financial Statements of the 31st Annual Report for the Financial Year 2022-23.

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 ICAI or any other relevant accounting standards as prescribed from time to time.

Employee Stock options are not considered to be dilutive based on the average market price of ordinary Shares during the period.

C. Details of PCL ESOS 2015

i) Description of the Scheme (including the general terms and conditions):

a.	Date of shareholders' approval	30 th December 2014
b.	Total number of options approved under ESOS	6,00,000
c.	Vesting requirements	The Options would vest in three tranches i.e. 7 th April 2016, 7 th April 2017 and 7 th April 2018.
d.	Exercise price or pricing formula	The exercise price will be determined by the Nomination and Remuneration Committee which may be at discount to the fair market value/ or the market value but shall not be less than the face value of shares.
e.	Maximum term of options granted	The Exercise Period would commence from the date of vesting of Options and will expire at the end of three years from the date of vesting of options
f.	Source of shares (primary, secondary or combination)	Primary
g.	Variation in terms of options	During FY 2022-23, no amendment/ modification/ variation was introduced in the Scheme.



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

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the IND AS 102 Share based payments, the cost of equity-settled transactions is measured using the 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:

Particulars	Details
Number of options outstanding at the beginning of the period	-
Number of options granted during the year	-
Number of options forfeited during the year	-
Number of options cancelled during the year	-
Number of options 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	Not applicable
Number of options outstanding at the end of the year	-
Number of options exercisable at the end of the year	-

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.

Not applicable

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; Not applicable
- 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; Not applicable and
- 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. Not applicable



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

The Company has estimated fair value of options using Black Scholes model. The following assumptions were used for calculation of fair value of options for the year ended 31st March 2023.

Dividend Yield	0.00%
Expected volatility	56.25%
Risk-free interest rate	7.82%
Expected Life of options (years)	3 years
Weighted average share price	₹ 10/-

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.