



Disclosures pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021

SEBI vide its notification dated August 13, 2021 had issued the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021 ('SEBI Regulations').

The Company's Employees Stock Option Scheme viz. 'HIRECT Employees Stock Option Plan - 2018' or 'ESOP 2018' was passed by the members of the Company in the 60th Annual General Meeting on August 13, 2018 for 250000 options convertible into the equal number of equity shares.

The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Plan of the Company. The options granted shall vest based upon the performance of the Employee, as may be determined by the Nomination and Remuneration Committee from time to time but shall not be less than 1 (one) year and not more than 4 (four) years from the date of grant of options. Vesting may happen in one or more tranches.

The disclosures pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021 for HIRECT Employees Stock Option Plan – 2018 are as follows:

1. The Board of directors in their report shall disclose any material change in the scheme(s) and whether the scheme(s) is /are in compliance with the regulations: Refer to the Board's Report of the Annual Report for FY 2024-25

2. Further, the following details, inter alia, shall be disclosed on the Company's website and a web-link thereto shall be provided in the report of Board of directors.

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.

SHARE BASED PAYMENTS RESERVE

The Board of Directors of the Company and its Shareholders' approved an Employee Stock Option Plan (ESOP - 2018). During the financial year 2021-22, 99,945 options were granted to certain identified eligible employees of the Company. Detailed description of share-based payment arrangements is as below:

a	Date of shareholders' approval	13-Aug-18
b	Total number of options approved under ESOP	2,50,000 options
c	Maximum term of options granted	Maximum term of the options granted under the scheme shall be five years from the grant date.

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d	Vesting requirements	The options granted shall vest between a minimum of 1 to maximum of 4 years from the date of grant of options.
e	Source of shares	Primary shares
f	Weighted average fair value of options	Rs. 104.42
g	Weighted average remaining contractual life	0.22 years
Options were priced using a Black Scholes Merton Formula pricing model. Where relevant, the expected life used in this model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behaviour considerations.		
Inputs into the model were as follows:		
a	Grant date share price	Rs. 166.65
b	Exercise Price	Rs. 85.00
c	Historical Volatility	50.60% to 51.83%
d	DTE (Years)	3 to 4.5 years
e	Dividend yield	0.46%
f	Risk free interest rate	4.92% to 5.50%

Reconciliation of outstanding share options is as follows:

Particulars	Number of options	Exercise price (Rs.)
Outstanding as at 1 st April 2024 (out of the options granted)	64,388	85.00
Granted & accepted during the year	-	-
Forfeited / lapsed during the year	7,002	85.00
Exercised during the year	24,815	85.00
Outstanding as at 31 st March 2025 (out of the options granted)	32,571	85.00
Exercisable as at 31 st March 2025	11,550	85.00

Fair value of options vested during the year is Rs. 796.44 (previous year Rs. 482.96)

Money realised by exercise of option during the year is Rs. 21.09 lakhs (previous year Rs. 11.80 lakhs)

The options outstanding at 31st March 2025 have an exercise price of Rs. 85.00 (31st March 2024: Rs. 85)

Weighted average share price at the date of the exercise of share options exercised in FY 2024-25 is Rs. 881.44

24815 options exercised during this year and 13882 shares during previous year.

Expense recognised in Statement of Profit and Loss

The Company has followed the fair value method to account for the grant of stock options, profit and loss impact for the year ended 31st March 2025 is Rs. 7.79 lakhs.

(Previous year: Rs. 14.46 Lakhs)

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B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Indian Accounting Standard (Ind AS) 33 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time

Earnings per share before exceptional item (face value of Rs. 2 each)	31 ST March 2025	31 ST March 2024
a. Basic	21.73	11.39
b. Diluted	21.70	11.35
Earnings per share after exceptional item (face value of Rs. 2 each)		
a. Basic	21.73	11.39
b. Diluted	21.70	11.35

C. 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 -	
(a) Date of shareholders' approval	ESOP 2018 approved on August 13, 2018
(b) Total number of options approved under ESOS	250000
(c) Vesting requirements	The options granted shall vest between a minimum of 1 to maximum of 4 years from the date of grant of options.
(d) Exercise price or pricing formula	<p>The Exercise Price shall be based on the Market Price of the Company which shall mean the latest closing price on a recognized stock exchange on which the shares of the Company are listed on the date immediately prior to the date of meeting of committee on which grant is to be made.</p> <p>If the Company is listed on more than one Stock Exchange, then the price of the Stock Exchange where there is highest trading volume during the aforesaid period shall be considered.</p> <p>The Nomination and Remuneration Committee has a power to provide suitable discount or charge premium on such price as arrived above. However, in any case the Exercise Price shall not go below the par face value of Equity Share of the Company The exercise price of stock options would be market price as on the date of the grant.</p>
(e) Maximum term of options granted	Five years from the date of grant.
(f) Source of shares (primary, secondary or combination)	Primary
(g) Variation in terms of options	No

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(ii) Method used to account for ESOS - Intrinsic or 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 as Fair valuation through black Scholes model used
(iv) Option movement during the year (For each ESOS):	
Particulars	Details
Number of options outstanding at the beginning of the period	64,388
Number of options granted during the year	Nil
Number of options forfeited/ lapsed during the year	7002 lapsed
Number of options vested during the year	19,741
Number of options exercised during the year	24,815
Number of shares arising as a result of exercise of options	24,815
Money realized by exercise of options (INR), if scheme is implemented directly by the company	Rs. 21,09,275 (Rs. 85 for each option)
Loan repaid by the Trust during the year from exercise price received	NA
Number of options outstanding at the end of the year	32,571
Number of options exercisable at the end of the year	11,550
(v) Weighted-average exercise prices and weighted-average fair	85 - Weighted Average exercise price

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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.	796.44 – weighted average Fair value
(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -	No options granted during the reporting FY 2024-25
(a) senior managerial personnel;	
(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	
(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.	
(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	No Options Granted During the year therefore no assumptions used to derive fair value in current year
(a) the weighted-average values of share price,	NA
exercise price,	NA
expected volatility,	NA
expected option life,	NA
expected dividends,	NA
the risk-free interest rate and	NA

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any other inputs to the model;	NA
(b) the method used and the assumptions made to incorporate the effects of expected early exercise;	NA
(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	NA
(d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	NA

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