

Disclosures as stipulated under the SEBI (Share Based Employee Benefits) Regulations, 2014 as on March 31, 2021 (cumulative position) with regard to Xelpmoc Design and Tech Limited Employee Stock Option Scheme, 2019 and Xelpmoc Design and Tech Limited Employee Stock Option Scheme, 2020

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.

In accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 under the provision of the Companies Act, 2013 (the "Act") and subsequent amendments thereof, the cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation Model.

Equity settled share based payments to employees are measured at fair value of the equity instruments at grant date. The fair value determined at the grant date of the equity-settled share based payment is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimates of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any is, recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the share option outstanding account.

No expense is recognised for options that do not ultimately vest because non market performance and/or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

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.

Rs.2.94/- (as on March31, 2021 based on standalone financials).

Rs.2.97/- (as on March31, 2021 based on consolidated financials).

1. Details of Xelpmoc Design and Tech Limited Employee Stock Option Scheme, 2019

Sr. No.	Particulars	Details
(i)	Description of each ESOS that existed at any time during the year	
a.	Date of shareholders' approval	September 27, 2019
b.	Total Number of options approved under ESOS	8,22,300

XELPMOC DESIGN AND TECH LIMITED

c.	Vesting requirements	<p>Vesting period shall commence after minimum 1 (One) year from the date of grant of Options and it may extend up to maximum of 7 years from the date of grant, at the discretion of and in the manner prescribed by the Nomination and Remuneration Committee. The vesting of Options can be either quarterly, half yearly or yearly, which will vary from Grantee to Grantee as may be decided by the Committee at the time of respective grant. Vesting of Options would be subject to continued employment with the Company. The Actual vesting may further be linked to certain performance parameters (“vesting conditions”) as decided by the Committee from time to time, including but not limited to: (a) Individual Performance (b) Team Performance (c) Company Performance. The vesting period of options granted as on March 31, 2021 are as under:</p> <p>(a) 97,731 options granted on November 07, 2020. Vesting will start after one year of grant and options will vest in next 2 years in the ratio of 50:50.</p> <p>(b) 2,12,432 options granted on March 15, 2021. Vesting will start after one year of grant and options will vest in next 2 years in the ratio of 50:50.</p> <p>(c) 2,05,580 options granted on March 15, 2021. Vesting will start after one year of grant and options will vest in next 3 years in the ratio of 33:33:34.</p>
d.	Exercise price or pricing formula	<p>The Exercise price of the Shares shall be based on the Market Price of the Shares one day before the date of the meeting of the Nomination and Remuneration Committee wherein the grants of Options shall be approved by the Committee. The Committee shall have 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 value of Equity Share of the Company which is Rs. 10/- per share. The Exercise price of options granted as on March 31, 2021 are as under:</p> <p>(a) 82,231 options granted on November 07, 2020 at an Exercise price of Rs.10 per option</p> <p>(b) 15,500 options granted on November 07, 2020 at an Exercise price of Rs.56 per option</p> <p>(c) 2,12,342 options granted on March 15, 2021 at an Exercise price of Rs.19 per option</p> <p>(d) 2,05,580 options granted on March 15, 2021 at an Exercise price of Rs.10 per option</p>
e.	Maximum Term of Option Granted	<p>Vesting period shall commence after minimum 1 (One) year from the date of grant of Options and it may extend up to maximum of 7 years from the date of grant, at the discretion of and in the manner prescribed by the Nomination and Remuneration Committee. The Exercise period for the vested Options shall be up to 7 years from the date of respective vesting. The vesting and exercise period of options granted as on March 31,</p>

		<p>2021 are as under:</p> <p>(a) 97,731 options granted on November 07, 2020. Vesting will start after one year of grant and options will vest in next 2 years and the Exercise period will be up to 7 years from the respective date of vesting.</p> <p>(b) 2,12,432 options granted on March 15, 2021. Vesting will start after one year of grant and options will vest in next 2 years and the Exercise period will be up to 7 years from the respective date of vesting.</p> <p>(c) 2,05,580 options granted on March 15, 2021. Vesting will start after one year of grant and options will vest in next 3 years and the Exercise period will be up to 7 years from the respective date of vesting.</p>
f.	Source of Shares	Primary
g.	Variation in terms of options	Not Applicable
(ii)	Method used to account for ESOS	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
(iv)	Option movement during the year	Refer Note1 below
(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.	Weightage average exercise price is Rs.13.82 and Weightage average fair value of Options is Rs.265.91
(vi)	Employee wise details of options granted to	

(i) Senior managerial personnel;	Refer Note 2 below
(ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	Refer Note 3 below
(iii) 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;	1. Vishal Chaddha 2. Ajay Pandey The details of the above mentioned employees are covered in Note 2 below.

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

(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;

Particulars	Option 1	Option 2	Option 3	Option 4
Grant Date	07-11-2020	07-11-2020	15-03-2021	15-03-2021
No. of options Granted	82,231	15,500	2,12,432	2,05,580
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%
Expected volatility	The expected price volatility is based on the historic volatility for a period that at least approximates the expected life of options being valued.			
Risk free interest rate (%)	3.81%	3.81%	4.49%	4.71%
Weighted-average value of share price (Rs)	The company is actively listed on stock exchanges hence we have taken the market price of its equity shares as on the grant date as the Stock / Underlying Price.			
Exercise Price (Rs)	10	56	19	10
Expected life of options granted in the year	2 years	2 years	2 years	3 years
Fair value (Rs)	282.41	254.11	259.63	265.81

(b) the method used and the assumptions made to incorporate the effects of expected early exercise;

Our Company has adopted the Black Scholes method to estimate the fair value of the options. Wherein the expected life of options is considered as an average of minimum life

(which is time period during which an employee has the right to apply for the shares of the company under the options granted to him also known as vesting period, calculated as time difference between Grant Date and vesting Date) and Maximum life (which is the total time period available with an employee to exercise an option, after the lapse of which no right shall accrue to the employee)

(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility

Volatility (which is the standard deviation of the daily average prices of stock) is calculated at annualized standard deviation of continuously compounded rates of return on the stock over a period of time as feasible based on the average stock price of the Xelpmoc stock on Stock exchanges.

Volatility is a measure of how much a stock can be expected to move in the near term, is a constant over time. While volatility can be relatively constant in very short term, it is never constant in longer term.

Historical volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during the period. The period to be considered for volatility has to be adequate to represent a consistent trend in the price movements and the movement due to abnormal events if any gets evened out. There is no research that demonstrates conclusively how long the historical period used to estimate expected long-term future volatility should be. However, informal tests and preliminary research tends to confirm that estimates of expected future long term volatility should be based on historical volatility for a period that at least approximates the expected life of the options being valued.

The equity shares of the Company are listed on BSE and therefore, for the purpose of calculating volatility of the Company we have considered previous 1 to 2 years volatility of its own stock price.

(d) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.

Our Company has adopted the Black Scholes method to estimate the fair value of the options.

Our Company has used the following basic assumptions towards the Black Scholes method adopted to estimate the fair value of the options.

Markets are efficient - This assumption suggests that people cannot consistently predict the direction of the market or an individual stock. The Black-Scholes model assumes stocks move in a manner referred to as a random walk. Random walk means that at any given moment in time, the price of the underlying stock can go up or down with the same probability. The price of a stock in time $t+1$ is independent from the price in time t .

Interest rates remain constant and known - The Black-Scholes model uses the risk-free rate to represent this constant and known rate.

Returns are normally distributed - This assumption suggests returns on the underlying stock are normally distributed

Constant volatility - The most significant assumption is that volatility, a measure of how much

a stock can be expected to move in the nearterm, is a constant over time. While volatility can be relatively constant in very short term, it is never constant in longer term.

Liquidity- the Black-Scholes model assumes that markets are perfectly liquid and it is possible to purchase or sell any amount of stock options or their fractions at any given time.

Further, the Company has appropriately used the variables (Stock price, Exercise price, Exercise period, Historical volatility, Risk free rate, Dividend yield & Expected life of options) that influence & influence the Fair value of the option.

Note 1: Option Movement during the financial year 2020-21:

Particulars	Average exercise price per share	Options
No. of options outstanding at the beginning of the year	-	-
No. of options granted during the Year	15.09	5,15,743
No. of options forfeited/lapsed during the year	56.00	15,500
No. of options vested during the year	-	-
No. 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	-	-
Loans repaid by Trust during the year from exercised price received	NA	NA
No. of options outstanding at the end of the year	13.82	5,00,243
No. of options exercisable at the end of the year	-	-

Note 2: Senior Managerial Personnel:

Name of Employee	Designation	No. of options granted during the year	Exercise Price
Suhas Dattatreya	Business Development & Senior Technologist	54,821	10
Jagpreet Pabla*	Vice President - Data Sciences	15,500	56
Vishal Chaddha	Chief Venture Partner	2,12,432	19
Ajay Pandey	Chief Technology Officer	2,05,580	10

**Resigned during the year.*

Note 3: Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year:

Name of Employee	Designation	No. of options granted during the year	Exercise Price
Suhas Dattatreya	Business Development & Senior Technologist	54,821	10
Kalpitha N	NLP and Algorithm Engineer	27,410	10
Vishal Chaddha	Chief Venture Partner	2,12,432	19
Ajay Pandey	Chief Technology Officer	2,05,580	10

2. Details of Xelpmoc Design and Tech Limited Employee Stock Option Scheme, 2020

Pursuant to shareholders approval by way of a special resolution in the Annual General meeting held on September 30, 2020 in respect of formulation and implementation of Xelpmoc Design and Tech Limited Employee Stock Option Scheme, 2020 (ESOP 2020), the Nomination and Remuneration Committee and Board of Directors has been authorized to create, grant, offer, issue and allot from time to time, in one or more tranches, options not exceeding 5,00,000 (Five Lakhs Only) representing nearly 3.65% of the paid up equity share capital of the Company as on August 14, 2020, exercisable into 5,00,000 (Five Lakhs Only) Equity Shares of Rs. 10/- each of the Company to or for the benefit of permanent employees of the Company (present & future). The Option granted under ESOP 2020 shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee/Board of Directors). These instruments will be equity settled and will generally vest as determined by the administrator. The Company has received in-principle approval for listing from BSE and NSE on January 11, 2021 and January 04, 2021 respectively. The vesting requirement and exercise price or pricing formula is same as prescribed above in relation to Xelpmoc Design and Tech Limited Employee Stock Option Scheme, 2019 (ESOP 2019), However, as on March 31, 2021, the Company has not granted any options under the Xelpmoc Design and Tech Limited Employee Stock Option Scheme, 2020 (ESOP 2020), hence the Company could not provide the complete details/ disclosures as required under Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014. Further, during the year under review, there is no variation in terms of options.