



# TITAGARH WAGONS LIMITED

## ESOP

- TWL's Employee Stock Option Scheme 2014 was approved by the shareholders at 17<sup>th</sup> AGM held on 11<sup>th</sup> September 2014. The Compensation Committee ("CC") approved grant of the first tranche of Rs. 5 lakhs options convertible into 5 lakhs equity shares of Rs. 2/- each on 4<sup>th</sup> March, 2015 pursuant to the TWL ESOP Scheme 2014. Each option when exercised is entitled to one equity share of Rs. 2/- each at a consideration of Rs. 44.20 per share.

- Options exercised against the First Tranche:

No. of options exercised	Date of allotment of shares	No. of shares allotted (Face Value of Rs. 2/- per share)	Paid-up share capital after allotment
27,500	22/08/2016	27,500	Rs. 23,08,23,740
33,750	19/05/2017	33,750	Rs. 23,08,91,240
6,000	28/08/2017	6,000	Rs. 23,09,03,240
48,750	16/03/2018	48,750	Rs. 23,10,00,740
11,500	20/06/2018	11,500	Rs. 23,10,32,640
10,000	12/09/2018	10,000	Rs. 23,10,54,640
35,000	03/04/2019	35,000	Rs. 23,11,25,840
29,750	18/06/2019	29,750	Rs. 23,12,12,340
28,750	09/01/2021	28,750	Rs. 23,87,75,178
57,500	10/08/2021	57,500	Rs. 23,90,34,178

- The CC at its meeting held on 19<sup>th</sup> May, 2017 granted the second tranche of 5,00,000 options to the eligible employees.
- At its meeting held on 9<sup>th</sup> November, 2017, the CC has in respect of 2<sup>nd</sup> tranche of 5,00,000 options fixed the vesting percentage as follows:  
Year 1: 2%, Year 2: 10%, Year 3: 28% and Year 4: 60%

- Options exercised against the Second Tranche:

No. of options exercised	Date of allotment of shares	No. of shares allotted (Face Value of Rs. 2/- per share)	Paid-up share capital after allotment
4,450	20/06/2018	4,450	Rs. 23,10,32,640
1,000	12/09/2018	1,000	Rs. 23,10,54,640
600	28/12/2018	600	Rs. 23,10,55,840
13,500	18/06/2019	13,500	Rs. 23,12,12,340
32,200	09/01/2021	32,200	Rs. 23,87,75,178
72,000	10/08/2021	72,000	Rs. 23,90,34,178

The CC has at its meeting held on 9<sup>th</sup> November, 2017 also fixed a time limit of six months for exercise of options from their respective date(s) of vesting.

## TITAGARH WAGONS LIMITED

### DISCLOSURE PURSUANT TO REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS ON 31<sup>ST</sup> MARCH, 2021:

**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.**

The disclosures are provided in Notes 2.21, 2.22 and 33 to the financial statement of the Company for the year ended 31<sup>st</sup> March, 2021.

**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. 4.21

**C. Details related to Employee Stock Option Scheme (ESOS) of the Company:**

Sr. No.	Particulars	ESOP 2014	
		Exercise of 1 <sup>st</sup> Tranche of options (For Year 3 of Options granted out of pool, Options were exercised on 09.01.2021)	Exercise of 2 <sup>nd</sup> Tranche of options (For Year 3, Options were exercised on 09.01.2021)
<b>i. A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including</b>			
a.	Date of shareholder's approval	11 <sup>th</sup> September, 2014	
b.	Total number of options approved under ESOP	25,00,000 <sup>1</sup>	
c.	Vesting requirements	Not earlier than one year and not more than five years from the date of grant of options	
d.	Exercise price or pricing formula	Exercise Price – Rs. 44.20	
e.	Maximum term of options granted	Five years from the date of vesting of options	
f.	Source of Shares	Primary	
g.	Variation in term of options granted	Not Applicable	
<b>ii. Method used to account for ESOP-Intrinsic or fair value</b>			
	The Company has calculated the Employee Compensation cost using the fair value method of Accounting (the most appropriate method) to account for options issued under the ESOP.		
<b>iii. Where the Company opts for expensing the options using the intrinsic value of the Options</b>			
	- the difference between the	Not Applicable	

<sup>1</sup> No. of options granted in 2015-16: 5,00,000 and No. of options granted in 2017-18: 5,00,000

	employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed	
	- The impact of this difference : - On profits - EPS	Not Applicable
<b>iv. Options movement during the year (for each ESOP)</b>		
<b>Particulars</b>		<b>Details</b>
Number of options outstanding at the beginning of the year (including restricted stock units)	88,750	2,60,100
Number of options granted during the year (including restricted stock units)	Not Applicable	
Number of options forfeited/lapsed during the year (including restricted stock units)	17,500	80,900
Number of options vested during the year (including restricted stock units)	28,750	61,600
Number of options exercised during the year	28,750	32,200
Number of shares arising as a result of exercise of options	28,750	32,200
Money realized by exercise of options (INR), if scheme is implemented directly by the Company	12,70,750	14,23,240
Loans repaid by the Trust during the year from exercise price received	-	
Number of options outstanding at the end of the year (Including restricted stock units)	42,500	1,47,000
Number of options exercisable at the end of the year (Including restricted stock units)	-	-
<b>v. Weighted-average exercise prices and weighted-average fair values of options</b>		
<b>a.</b> Weighted-average exercise prices and weighted average fair value of options whose exercise price equals the market price of the stock	Not Applicable	
<b>b.</b> Weighted-average exercise prices and weighted average fair value of options whose exercise price is less than the market price of the stock	Weighted-average exercise prices – Rs. 44.20 Weighted average fair value of options – Rs. 90.97 [For 28,750 options on 09.01.2021].	Weighted-average exercise prices – Rs. 44.20 Weighted average fair value of options – Rs. 90.97 [For 32,200 options on 09.01.2021]

c.	Weighted-average exercise prices and weighted average fair value of options whose exercise price exceeds the market price of the stock	Not Applicable	
<b>vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to</b>			
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 options granted during the year	Not Applicable	
c.	Identified employee 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	
<b>vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information</b>			
a.	The weighted – average values of share price:  Exercise Price:  Expected volatility:  Expected option life:  Expected dividends:  The risk-free interest rate:  any other inputs to the model:	Rs. 44.20  As per Note 33 to financial statement of the Company for the year ended 31/03/2021  As may be decided by Board  7.70%; 6.70%  Nil	Rs. 44.20  As per Note 33 to financial statement of the Company for the year ended 31/03/2021  As may be decided by Board  6.70%; 6.50%  Nil
b.	The method used and the assumptions made to incorporate the effects of expected early exercise	Black-Scholes Valuation Model	
c.	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical Volatility	Computed using historical closing prices of stock of the Company by using the linearly interpolated interest rates for respective dates.	
d.	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	Not Applicable	

## TITAGARH WAGONS LIMITED

### DISCLOSURE PURSUANT TO REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS ON 31<sup>ST</sup> MARCH, 2020:

**D. 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.**

The disclosures are provided in Notes 2.21, 2.22 and 33 to the financial statement of the Company for the year ended 31<sup>st</sup> March, 2020.

**E. 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. (6.71)

**F. Details related to Employee Stock Option Scheme (ESOS) of the Company:**

Sr. No.	Particulars	ESOP 2014	
		Exercise of 1 <sup>st</sup> Tranche of options (For Year 4, Options were exercised on 03.04.2019 and 18.06.2019 and for Year 2 of Options granted out of pool, Options were exercised on 18.06.2019)	Exercise of 2 <sup>nd</sup> Tranche of options (For Year 2, Options were exercised on 18.06.2019)
<b>i. A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including</b>			
a.	Date of shareholder's approval	11 <sup>th</sup> September, 2014	
b.	Total number of options approved under ESOP	25,00,000 <sup>1</sup>	
c.	Vesting requirements	Not earlier than one year and not more than five years from the date of grant of options	
d.	Exercise price or pricing formula	Exercise Price – Rs. 44.20	
e.	Maximum term of options granted	Five years from the date of vesting of options	
f.	Source of Shares	Primary	
g.	Variation in term of options granted	Not Applicable	
<b>ii. Method used to account for ESOP-Intrinsic or fair value</b>			
	The Company has calculated the Employee Compensation cost using the fair value method of Accounting (the most appropriate method) to account for options issued under the ESOP.		
<b>iii. Where the Company opts for expensing the options using the intrinsic value of the Options</b>			
	- the difference between the	Not Applicable	

<sup>1</sup> No. of options granted in 2015-16: 5,00,000 and No. of options granted in 2017-18: 5,00,000

	employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed	
	- The impact of this difference : - On profits - EPS	Not Applicable
<b>iv. Options movement during the year (for each ESOP)</b>		
<b>Particulars</b>		<b>Details</b>
Number of options outstanding at the beginning of the year (including restricted stock units)	2,31,000	3,35,650
Number of options granted during the year (including restricted stock units)	Not Applicable	
Number of options forfeited/lapsed during the year (including restricted stock units)	77,500	62,050
Number of options vested during the year (including restricted stock units)	37,250	28,500
Number of options exercised during the year	64,750	13,500
Number of shares arising as a result of exercise of options	64,750	13,500
Money realized by exercise of options (INR), if scheme is implemented directly by the Company	28,61,950	5,96,700
Loans repaid by the Trust during the year from exercise price received	-	
Number of options outstanding at the end of the year (Including restricted stock units)	88,750	2,60,100
Number of options exercisable at the end of the year (Including restricted stock units)	2,500	500
<b>v. Weighted-average exercise prices and weighted-average fair values of options</b>		
<b>a.</b> Weighted-average exercise prices and weighted average fair value of options whose exercise price equals the market price of the stock	Not Applicable	
<b>b.</b> Weighted-average exercise prices and weighted average fair value of options whose exercise price is less than the market price of the stock	Weighted-average exercise prices – Rs. 44.20 Weighted average fair value of options – Rs. 97.36 [For 47,500 options on 03.04.2019 and 18.06.2019] and Rs. 90.05 [For 17,250 options on 18.06.2019].	Weighted-average exercise prices – Rs. 44.20 Weighted average fair value of options – Rs. 90.09 [For 13,500 options on 18.06.2019]

c.	Weighted-average exercise prices and weighted average fair value of options whose exercise price exceeds the market price of the stock	Not Applicable	
<b>vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to</b>			
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 options granted during the year	Not Applicable	
c.	Identified employee 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	
<b>vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information</b>			
a.	The weighted – average values of share price:  Exercise Price:  Expected volatility:  Expected option life:  Expected dividends:  The risk-free interest rate:  any other inputs to the model:	Rs. 44.20  As per Note 33 to financial statement of the Company for the year ended 31/03/2020  As may be decided by Board  7.70%; 6.70%  Nil	Rs. 44.20  As per Note 33 to financial statement of the Company for the year ended 31/03/2020  As may be decided by Board  6.70%; 6.50%  Nil
b.	The method used and the assumptions made to incorporate the effects of expected early exercise	Black-Scholes Valuation Model	
c.	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical Volatility	Computed using historical closing prices of stock of the Company by using the linearly interpolated interest rates for respective dates.	
d.	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	Not Applicable	

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**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.**

The disclosures are provided in Notes 2.20, 2.21 and 33 to the financial statement of the Company for the year ended 31<sup>st</sup> March, 2019.

**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. (7.17)

**C. Details related to Employee Stock Option Scheme (ESOS) of the Company:**

Sr. No.	Particulars	ESOP 2014	
		Exercise of 1 <sup>st</sup> Tranche of options (For Year 3, Options were exercised on 12/09/2018 and for Year 1 of Options granted out of pool, Options were exercised on 20/06/2018)	Exercise of 2 <sup>nd</sup> Tranche of options (For Year 1, Options were exercised on 20/06/2018 and 12/09/2018 for Year 1 of Options granted out of pool, Options were exercised on 28/12/2018)
<b>i. A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including</b>			
a.	Date of shareholder’s approval	11 <sup>th</sup> September, 2014	
b.	Total number of options approved under ESOP	25,00,000 <sup>1</sup>	
c.	Vesting requirements	Not earlier than one year and not more than five years from the date of grant of options	
d.	Exercise price or pricing formula	Exercise Price – Rs. 44.20	
e.	Maximum term of options granted	Five years from the date of vesting of options	
f.	Source of Shares	Primary	
g.	Variation In term of options granted	Not Applicable	
<b>ii. Method used to account for ESOP-Intrinsic or fair value</b>			
	The Company has calculated the Employee Compensation cost using the fair value method of Accounting (the most appropriate method) to account for options issued under the ESOP.		
<b>iii. Where the Company opts for expensing the options using the intrinsic value of the Options</b>			
	- the difference between the employee compensation cost	Not Applicable	

<sup>1</sup> No. of options granted in 2015-16: 5,00,000 and No. of options granted in 2017-18: 5,00,000



	so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed		
	- The impact of this difference : - On profits - EPS	Not Applicable	
<b>iv. Options movement during the year (for each ESOP)</b>			
<b>Particulars</b>		<b>Details</b>	
Number of options outstanding at the beginning of the year (including restricted stock units)	2,86,250	4,37,500	
Number of options granted during the year (including restricted stock units)	Not Applicable		
Number of options forfeited/lapsed during the year (including restricted stock units)	33,750	95,800	
Number of options vested during the year (including restricted stock units)	1,36,500	7,250	
Number of options exercised during the Year	21,500	6,050	
Number of shares arising as a result of exercise of options	21,500	6,050	
Money realized by exercise of options (INR), if scheme is implemented directly by the Company	9,50,300	2,67,410	
Loans repaid by the Trust during the year from exercise price received	-		
Number of options outstanding at the end of the year (Including restricted stock units)	2,31,000	3,35,650	
Number of options exercisable at the end of the year (Including restricted stock units)	1,27,500	-	
<b>v. Weighted-average exercise prices and weighted-average fair values of options</b>			
<b>a.</b>	Weighted-average exercise prices and weighted average fair value of options whose exercise price equals the market price of the stock	Not Applicable	
<b>b.</b>	Weighted-average exercise prices and weighted average fair value of options whose exercise price is less than the market price of the stock	Weighted-average exercise prices – Rs. 44.20 Weighted average fair value of options – Rs. 89.10 [For 11,500 options on 20/06/2018] and Rs. 102.55 [For 10,000 options on 12/09/2018].	Weighted-average exercise prices – Rs. 44.20 Weighted average fair value of options – Rs. 89.51 [For 5,450 options on 20/06/2018 and 12/09/2018] and Rs. 112.20 [For 600 options on 28/12/2018].

c.	Weighted-average exercise prices and weighted average fair value of options whose exercise price exceeds the market price of the stock	Not Applicable	
<b>vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to</b>			
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 options granted during the year	Not Applicable	
c.	Identified employee 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	
<b>vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information</b>			
a.	The weighted – average values of share price:  Exercise Price:  Expected volatility:  Expected option life:  Expected dividends:  The risk-free interest rate:  any other inputs to the model:	Rs. 44.20  As per Note 33 to financial statement of the Company for the year ended 31/03/2019  Re. 0.30/share  6.70%; 7.70%  Nil	Rs. 44.20  As per Note 33 to financial statement of the Company for the year ended 31/03/2019  Re. 0.30/share  6.70%; 6.50%  Nil
b.	The method used and the assumptions made to incorporate the effects of expected early exercise	Black-Scholes Valuation Model	
c.	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical Volatility	Computed using historical closing prices of stock of the Company by using the linearly interpolated interest rates for respective dates.	
d.	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	Not Applicable	

## TITAGARH WAGONS LIMITED

### DISCLOSURE PURSUANT TO REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS ON 31<sup>ST</sup> MARCH, 2018:

**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.**

The disclosures are provided in Notes 2.22 and 32 to the financial statement of the Company for the year ended 31<sup>st</sup> March, 2018.

**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. 0.25

**C. Details related to Employee Stock Option Scheme (ESOS) of the Company:**

Sr. No.	Particulars	ESOP 2014
		Exercise of 1 <sup>st</sup> Tranche of options (For Year 2, Options were exercised on 28/08/2017 and for Year 3, Options were exercised on 16/03/2018)
<b>i. A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including</b>		
a.	Date of shareholder's approval	11 <sup>th</sup> September, 2014
b.	Total number of options approved under ESOP	25,00,000 <sup>1</sup>
c.	Vesting requirements	Not earlier than one year and not more than five years from the date of grant of options
d.	Exercise price or pricing formula	Exercise Price – Rs. 44.20
e.	Maximum term of options granted	Five years from the date of vesting of Options
f.	Source of Shares	Primary
g.	Variation in term of options granted	The Board in its meeting held on 09/11/2017 decided the following, based on the recommendation of the Nomination and Remuneration Committee: 1. Modification in vesting schedule of the 2 <sup>nd</sup> tranche of options granted on 19/05/2017 as follows: Year 1: 10%, Year 2: 15%, Year 3: 25% and Year 4: 50% 2. The time within which the Options vested have to be exercised will be six months from the respective date(s) of

<sup>1</sup> No. of options granted in 2015-16: 5,00,000 and No. of options granted in 2017-18: 5,00,000

		vesting; or such other period as may be determined by the Committee. This is applicable to all Options to be vested from this date onwards.
<b>ii. Method used to account for ESOP-Intrinsic or fair value</b>		
	The Company has calculated the Employee Compensation cost using the fair value method of Accounting (the most appropriate method) to account for options issued under the ESOP.	
<b>iii. Where the Company opts for expensing the options using the intrinsic value of the Options</b>		
	- the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed	Not Applicable
	- The impact of this difference : - On profits - EPS	Not Applicable
<b>iv. Options movement during the year (for each ESOP)</b>		
<b>Particulars</b>		<b>Details</b>
Number of options outstanding at the beginning of the year (including restricted stock units)		20,00,000
Number of options granted during the year (including restricted stock units)		1. 5,00,000 options on 19/05/2017 – Grant of 2 <sup>nd</sup> Tranche of options. 2. 1,15,000 options on 19/05/2017 - Granted out of options lying in pool from the 1 <sup>st</sup> Tranche. 3. 55,000 options on 09/11/2017 - Granted out of options lying in pool from the 2 <sup>nd</sup> Tranche.
Number of options forfeited/lapsed during the year (including restricted stock units)		20,250
Number of options vested during the year (including restricted stock units)		65,000
Number of options exercised during the year		88,500
Number of shares arising as a result of exercise of options		88,500
Money realized by exercise of options (INR), if scheme is implemented directly by the Company		39,11,700
Loans repaid by the Trust during the year from exercise price received		-
Number of options outstanding at the end of the year (Including restricted stock units)		15,00,000
Number of options exercisable at the end of the year (Including restricted stock units)		-
<b>v. Weighted-average exercise prices and weighted-average fair values of options</b>		
<b>a.</b>	Weighted-average exercise prices and weighted average fair value of options whose exercise price equals the market price of the stock	Not Applicable
<b>b.</b>	Weighted-average exercise prices and weighted average fair value of options whose exercise price is less than the market price of the stock	Weighted-average exercise prices – Rs. 44.20 Weighted average fair value of options – Rs. 88.35 [For 1,15,000 options on 19/05/2017], Rs. 89.35 [For 5,00,000 options (3,82,500

		accepted) on 19/05/2017] and Rs. 112.07 [For 55,000 options on 09/11/2017}.
<b>c.</b>	Weighted-average exercise prices and weighted average fair value of options whose exercise price exceeds the market price of the stock	Not Applicable
<b>vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to</b>		
<b>a.</b>	Senior Managerial Personnel	Shri Sudipta Mukherjee (WTD)- 50,000
<b>b.</b>	Any other employee who receives a grant in any one year of option amounting to 5% or more of options granted during the year	Shri Anil Kumar Agarwal (CFO)- 50,000 Shri Dinesh Arya (CS)- 30,000 Shri Saurav Singhania (GFC)- 30,000 Shri R.N. Tiwari (WTD of Cimmco)- 50,000* Shri Piyush Bhardwaj (Sr. VP)- 50,000* * <i>Not accepted by Grantee</i>
<b>c.</b>	Identified employee 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
<b>vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information</b>		
<b>a.</b>	The weighted – average values of share price:  Exercise Price:  Expected volatility:  Expected option life:  Expected dividends:  The risk-free interest rate:  any other inputs to the model:	Rs. 44.20  As per Note 32 to financial statement of the Company for the year ended 31/03/2018  Re. 0.30/share  6.70%  Nil
<b>b.</b>	The method used and the assumptions made to incorporate the effects of expected early exercise	Monte Carlo Valuation Model
<b>c.</b>	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Computed using historical closing prices of stock of the Company by using the linearly interpolated interest rates for respective dates.
<b>d.</b>	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	Not Applicable

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### DISCLOSURE PURSUANT TO REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS ON 31<sup>ST</sup> MARCH, 2017:

**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.**

The disclosures are provided in Notes 3q, 30 and 32 to the financial statements of the Company for the year ended 31<sup>st</sup> March, 2017.

**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. 1.60

**C. Details related to Employee Stock Option Scheme (ESOS) of the Company:**

Sr. No.	Particulars	ESOP 2014
		Exercise of 1 <sup>st</sup> Tranche of options (August 22, 2016)
<b>i. A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including</b>		
a.	Date of shareholder’s approval	11 <sup>th</sup> September, 2014
b.	Total number of options approved under ESOP	25,00,000 <sup>1</sup>
c.	Vesting requirements	Not earlier than one year and not more than five years from the date of grant of Options
d.	Exercise price or pricing formula	Exercise Price – Rs. 44.20
e.	Maximum term of options granted	Five years from the date of vesting of Options
f.	Source of Shares	Primary
g.	Variation in term of options granted	Not Applicable
<b>ii. Method used to account for ESOP-Intrinsic or fair value</b>		
	The Company has calculated the Employee Compensation cost using the fair value method of Accounting (the most appropriate method) to account for options issued under the ESOP.	
<b>iii. Where the Company opts for expensing the options using the intrinsic value of the Options</b>		
	- the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed	Not Applicable
	- The impact of this difference : - On profits - EPS	Not Applicable

<sup>1</sup> No. of options granted in 2015-16: 5,00,000

<b>iv. Options movement during the year (for each ESOP)</b>		
<b>Particulars</b>		<b>Details</b>
Number of options outstanding at the beginning of the year (including restricted stock units)		20,00,000
Number of options granted during the year (including restricted stock units)		-
Number of options forfeited/lapsed during the year (including restricted stock units)		-
Number of options vested during the year (including restricted stock units)		32,500
Number of options exercised during the year		27,500
Number of shares arising as a result of exercise of options		27,500
Money realized by exercise of options (INR), if scheme is implemented directly by the Company		12,15,500
Loans repaid by the Trust during the year from exercise price received		-
Number of options outstanding at the end of the year (Including restricted stock units)		20,00,000
Number of options exercisable at the end of the year (Including restricted stock units)		46,500
<b>v. Weighted-average exercise prices and weighted-average fair values of options</b>		
<b>a.</b>	Weighted-average exercise prices and weighted average fair value of options whose exercise price equals the market price of the stock	Not Applicable
<b>b.</b>	Weighted-average exercise prices and weighted average fair value of options whose exercise price is less than the market price of the stock	Weighted-average exercise prices – Rs. 44.20 Weighted average fair value of options – Rs. 63.91
<b>c.</b>	Weighted-average exercise prices and weighted average fair value of options whose exercise price exceeds the market price of the stock	Not Applicable
<b>vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to</b>		
<b>a.</b>	Senior Managerial Personnel	Not Applicable
<b>b.</b>	Any other employee who receives a grant in any one year of option amounting to 5% or more of options granted during the year	Not Applicable
<b>c.</b>	Identified employee 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**

<b>a.</b>	<p>The weighted – average values of share price:</p> <p>Exercise Price:</p> <p>Expected volatility:</p> <p>Expected option life:</p> <p>Expected dividends:</p> <p>The risk-free interest rate:</p> <p>any other inputs to the model:</p>	<p>Rs. 44.20</p> <p>42.54%</p> <p>Re. 0.80/share</p> <p>6.31%</p> <p>Nil</p>
<b>b.</b>	<p>The method used and the assumptions made to incorporate the effects of expected early exercise</p>	<p>Monte Carlo Valuation Model</p>
<b>c.</b>	<p>How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility</p>	<p>Computed using historical closing prices of stock of the Company by using the linearly interpolated interest rates for respective dates.</p>
<b>d.</b>	<p>Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.</p>	<p>Not Applicable</p>