



Dinesh Arya &lt;aryadinesh4u@gmail.com&gt;

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**NOTICE TO SHAREHOLDERS FOR "TITAGARH WAGONS LIMITED – EMPLOYEE STOCK OPTIONS SCHEME 2023 (TWL Employee Stock Options Scheme 2023)"**

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Titagarh Rail Systems Limited &lt;titagarh2023@mdplcorporate.com&gt;

Mon, Jul 31, 2023 at 5:07 PM

Reply-To: titagarh2023@mdplcorporate.com

To: aryadinesh4u@gmail.com

**TITAGARH RAIL SYSTEMS LIMITED**  
**(formerly known as Titagarh Wagons Limited)**

CIN: L27320WB1997PLC084819

Regd. Off: Titagarh Towers, 756, Anandapur, E.M. Bypass, Kolkata-700107  
Tel: 91 33 40190800; E-mail: [investors@titagarh.in](mailto:investors@titagarh.in); Website: [www.titagarh.in](http://www.titagarh.in)Name of Member: **DINESH ARYA**

Folio No. / DP Id &amp; Client Id: 'IN30051385103864'

Dear Member,

**SUB.: NOTICE TO SHAREHOLDERS FOR "TITAGARH WAGONS LIMITED – EMPLOYEE STOCK OPTIONS SCHEME 2023 (TWL Employee Stock Options Scheme 2023)"**

The Company had vide its email dated 21st March, 2023 sent the Postal Ballot Notice seeking approval of the shareholders to the Employee Stock Options Scheme ("Titagarh Wagons Limited Employee Stock Options Scheme, 2023") (hereinafter referred to as **ESOP Scheme**) for 5,00,000 Options entitling the eligible employees to equivalent number of shares of Rs.2/- each fully paid up, which was duly approved by the shareholders on 26th April, 2023. Thereafter, the applications were submitted to BSE and NSE for in principle approval. Pursuant to the communication received from NSE and BSE, this email is being sent individually to all the shareholders with the disclosures prescribed by the aforesaid stock exchanges in accordance with the provisions of Part C of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. This email is accompanied by the ESOP Scheme which is also available on the website of the Company under the Investor section <https://titagarh.in/investors-information>.

The disclosures referred to above are as follows and these shall be treated as an integral part of the explanatory statement sent along with the Postal Ballot Notice referred to hereinabove:

1. Maximum vesting period may extend upto 7 years from the date of grant of respective Options. Please refer to Clause No. 6.4 of the Scheme attached.
2. Maximum exercise period shall not be more than 5 years from the date of respective vesting of Options. Please refer to Clause No. 7.2 [Clause No. 7.2 (a) and (b)] - of the Scheme attached.
3. The appraisal process for determining the eligibility of employees for the scheme as required under Part C point (h) of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021:  
The appraisal process for determining the eligibility of the Employee(s) will be specified by the Board of Directors/Compensation / Nomination and Remuneration Committee and will be based on criteria such as the grade of Employee, length of service, performance record, merit of the Employee, future potential contribution by the Employee and/or by any such criteria that may be determined by the Board of Director/ Compensation / Nomination and Remuneration Committee. Please refer Clause No. 3.2 of the Scheme attached.
4. Valuation: The Company will follow IFRS/ IND AS/ any other requirements for accounting of the stock Options as are applicable to the Company for the same. Since the Company opts for expensing of share-based employee

benefits using the fair value method, the following statement will not be applicable: In case the Company opts for expensing of share based employee benefits using the intrinsic value, 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, shall be disclosed in the Directors' Report and the impact of this difference on profits and on earnings per share ("EPS") of the Company shall also be disclosed in the Directors' Report

**5. Terms and conditions of Buy back, if any, of specified securities of SBEBSE Regulations:** The procedure for buy-back of specified securities issued under SEBI (SBEB and Sweat Equity) Regulations, if to be undertaken at any time by the Company and the applicable terms and conditions, including:

(i) permissible sources of financing for buy-back;

(ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and

(iii) limits upon quantum of specified securities that the company may buy-back in financial year.

For the purpose of this Clause, specified securities means as defined under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

-Not applicable since the Company does not propose to buy back.

**6. Change in name of the Company:** As already informed to all the shareholders and their approval obtained, name of the Company has been changed to Titagarh Rail Systems Limited vide Fresh Certificate of Incorporation issued by the Registrar of Companies, West Bengal on 19.05.2023. Accordingly the name of the Company wherever appearing in the Scheme will be read as Titagarh Rail Systems Limited.

**7.** The Company has not granted any options to any employee of its subsidiary/associate/group company(ies) and shall not do so until and unless a separate resolution in this regard is passed by the shareholders as required by the Regulations applicable.

**8.** The subject Scheme will be implemented directly by the Company and not through any Trust. As such the ESOP Scheme will involve only new issue of shares by the Company and there will no secondary acquisition by any trust. As such provision of any loan to the trust is not applicable.

Should you require any further information on the subject, please refer to the Scheme attached herewith.

Thanking you,

Yours faithfully,

**For Titagarh Rail Systems Limited**

**Dinesh Arya**

**Company Secretary & Chief Compliance Officer**

**M. No. FCS 3665**

July 31, 2023

Please do not reply to this email, as this email id is not monitored.



**ESOP SCHEME 2023.pdf**

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