

Statement pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for the financial year ended March 31, 2024

Sl. No.	Particulars	Employee Stock Option Plan, 2006 ("ESOP, 2006")	Restricted Stock Unit Plan, 2019 ("RSU, 2019")
1	Date of shareholders' approval	July 5, 2006	August 1, 2019
2	Total number of options approved under Employee Stock Option Plan, 2006 and Restricted Stock Unit Plan, 2019	Total number of options shall not exceed 5% of the total paid up equity shares of the Company from time to time. Paid up equity shares of the Company as at March 31, 2024 are 27,38,05,630. Accordingly, the maximum no. of options that can be granted by the Company is 1,36,90,281 (5% of 27,38,05,630) as on March 31, 2024.	Total number of options shall not exceed 1% of the total paid up equity shares of the Company from time to time. Paid up equity shares of the Company as at March 31, 2024 are 27,38,05,630. Accordingly, the maximum no. of options that can be granted by the Company is 27,38,056 (1% of 27,38,05,630) as on March 31, 2024.
3	Vesting Requirements	<p>Vesting of the options shall take place in the manner determined by the Nomination and Remuneration Committee at the time of grant provided the vesting period shall not be less than 1 (one) year from the date of grant.</p> <p>Vesting of options shall be subject to the conditions that the Grantee shall be in continuous employment with the Company and such other conditions and exceptions as provided under Company's ESOP, 2006 and RSU, 2019.</p>	
4	Exercise price or pricing formula	The Exercise Price of each grant is determined by the Nomination and Remuneration Committee at the time of grant, provided that the Exercise Price shall not be less than the closing market price of the shares of the Company on NSE/BSE on the day preceding the date of grant of Options.	The Exercise Price of each grant shall be the face value of the Share on the date of exercise of RSU.
5	Maximum term of options granted	The maximum term of options granted within which they shall be exercised is decided by the Nomination and Remuneration Committee which is generally ten years from the date of grant of the options.	
6	Source of shares (primary, secondary or combination)	Primary	
7	Variation in terms of options	During the year, no amendment/ modification/ variation has been made in terms of options granted by the Company.	
8	Method used to account for ESOS - Intrinsic or fair value	Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at	Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined

		the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period. The cost (net of reversal, due to forfeiture) of share-based payments to employees for the year ended March 31, 2024 is Rs. 9.98 crores.	at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period. The cost (net of reversal, due to forfeiture) of share-based payments to employees for the year ended March 31, 2024 is Rs. 24.24 crores.
9	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 recognised 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	Not Applicable
10	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.	<p>Details of weighted average exercise prices and weighted average fair values of the options exercised during the financial year ended March 31, 2024, whose exercise price equals to the market price of the stock on the date of grant:</p> <p>Weighted average exercise price - Rs. 1,437.08</p> <p>Weighted average fair value - Rs. 524.72</p>	<p>Details of weighted average exercise prices and weighted average fair values of the options exercised during the financial year ended March 31, 2024, whose exercise price is less than the market price of the stock on the date of grant:</p> <p>Weighted average exercise price - Re. 1</p> <p>Weighted average fair value - Rs. Nil</p>
11	Details of Options granted during the financial year ended March 31, 2024		
	i) Senior Managerial Personnel	None	49,800 options granted to 12 (twelve) Senior Managerial Personnel during the financial year at an exercise price of Re. 1. Refer to Annexure 1.

	ii) Any other employee who received a grant in any one year of Options amounting to 5% or more of the Options granted during that year.	None	16,500 options granted to Mr. Govindarajan Balakrishnan, Whole-time Director and CEO-Royal Enfield, during the financial year at an exercise price of Re. 1 (included in 11(i) above). Apart from this, , there is no grant to any other employee which is more than 5% of the total options granted during the financial year.		
	iii) Identified employees who were granted Options 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.	None			
12	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	No ESOP grants during the financial year ended March 31, 2024.	The fair value of each restricted stock unit granted during the year is estimated using the Black-Scholes Option Pricing Model after applying the following key assumptions:		
	Option grant date	-	May 10, 2023	August 3, 2023	November 10, 2023
(a)	(i) the weighted-average values of share price	-	3381.90	3332.70	3541.90
	(ii) exercise price	-	1.00	1.00	1.00
	(iii) expected volatility	-	29.52%	28.61%	27.41%
	(iv) expected option life	-	3 years	3 years	3 years
	(v) expected dividends	-	0.6013%	0.6476%	0.6476%
	(vi) the risk-free interest rate	-	7.09%	7.23%	7.39%
(b)	the method used and the assumptions made to incorporate the effects of expected early exercise	Not Applicable			
(c)	how expected Volatility was determined, including an explanation of the	Not Applicable	Expected Volatility was determined by taking the daily volatility of the share price on NSE, over a		

	extent to which expected volatility was based on historical volatility		period prior to the date of grant, corresponding to the expected life of the options for each vesting.
(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	
13	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Indian Accounting Standard 33 -Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time	Rs. 136.75	
14	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	All relevant disclosures have been made in the financial statements.	

Details of Option Movement during the Financial Year 2023-24

Sl. No.	Particulars	Employee Stock Options Plan, 2006	Restricted Stock Units Plan, 2019
1.	Number of options outstanding at the beginning of the year	9,38,190	1,37,880
2.	Number of options granted during the year	Nil	1,49,250
3.	Number of options forfeited / lapsed during the year	24,000	11,400
4.	Number of options vested during the year	3,37,000	Nil
5.	Number of options exercised during the year	3,24,060	Nil
6.	Number of shares arising as a result of exercise of options	3,24,060	Nil
7.	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	46.57 Crores	Nil
8.	Loan repaid by the Trust during the year from exercise price received	Not Applicable	Not Applicable
9.	Number of options outstanding at the end of the year	5,90,130	2,75,730
10.	Number of options exercisable at the end of the year	1,54,130	Nil

Annexure 1

Options granted during the Financial Year 2023-24 to Senior Managerial Personnel

Name of Senior Managerial Personnel	Designation	Restricted Stock Units Plan, 2019	Exercise price
Mr. B. Govindarajan	Whole-time Director & CEO- Royal Enfield	16,500	Re.1
Ms. Vidhya Srinivasan	Chief Financial Officer	3,400	Re. 1
Mr. Mark Wells	Chief of Design	4,000	Re. 1
Mr. Mohit Dhar Jayal	Chief Brand Officer	5,000	Re. 1
Mr. Rajeev Sharma	Chief Human Resource officer	3,300	Re. 1
Mr. Simon Warburton	Chief Program Manager	3,000	Re. 1
Mr. Sudhakar Bhagavatula	Chief Information Officer	3,000	Re. 1
Mr. Umesh Krishnappa	Chief Technology Officer – Electric Vehicles	2,500	Re. 1
Mr. Yadvinder Singh Guleria	Chief Commercial Officer	3,100	Re. 1
Mr. Mario Alvisi	Chief Growth Officer – Electric Vehicles	3,000	Re. 1
Mr. Mahesh Tripathi	Chief Operations Officer	2,000	Re. 1
Mr. Atul Sharma	Company Secretary	1,000	Re. 1