

INFORMATION AS REQUIRED UNDER THE SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 ("SBEB REGULATIONS")

The Company has in force the following schemes which get covered under the provisions of SBEB Regulations:

- (1) Mahindra & Mahindra Limited Employees Stock Option Scheme – 2000 ("2000 Scheme")*
- (2) Mahindra & Mahindra Limited Employees Stock Option Scheme – 2010 ("2010 Scheme")
- (3) M&M Employees Welfare Fund No. 1
- (4) M&M Employees Welfare Fund No. 2
- (5) M&M Employees Welfare Fund No. 3

Note 1: The schemes mentioned in points (1) and (2) are collectively known as "ESOP Schemes" or "ESOS" and are administered by the Mahindra & Mahindra Employees' Stock Option Trust ("ESOP Trust") through Mahindra & Mahindra Employees' Stock Option Trust Deed.

Note 2: The schemes mentioned in points (3) to (5) are administered by their respective trust deeds and are hereinafter collectively referred to as GEBS i.e. General Employee Benefit Schemes.

* No outstanding options as on 31st March, 2022

(A) ESOP SCHEMES

A.	General terms and conditions	Each option entitles the holder thereof to apply for and be allotted one Equity Share of the Company of Rs. 5 each upon payment of the exercise price during the exercise period. The exercise period may commence from the date of vesting and will expire not later than 5 years from the date of vesting or such other period as may be decided by Governance, Nomination and Remuneration Committee ("the Committee"), from time to time. The options will be exercisable by the Employees by a written application to the Company/ ESOP Trust or any other entity which may be set up for this purpose to exercise the options, in such manner and on execution of such documents, as may be prescribed by the Committee from time to time. The options will lapse if not exercised within the specified exercise period. The options may also lapse under certain circumstances even before the expiry of the specified exercise period. The ESOP Schemes will be under the superintendence of and be administered by the Committee, the members of which are Independent Directors of the Company.			
B.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (IndAS 33) 'Earnings per Share'*	Rs. 41.13			
C.	Date of shareholders' approval	The shareholders have granted approvals on the following dates: <table><tr><td><u>2000 Scheme</u> 31st July, 2000 28th July, 2004 30th July, 2007</td><td><u>2010 Scheme</u> 28th July, 2010 8th August, 2014</td></tr></table> Since the ESOP Schemes were existing as on the date of notification of SBEB Regulations, Regulation 6(1) does not apply and as such further shareholders' approval is not required for implementing the schemes		<u>2000 Scheme</u> 31 st July, 2000 28 th July, 2004 30 th July, 2007	<u>2010 Scheme</u> 28 th July, 2010 8 th August, 2014
<u>2000 Scheme</u> 31 st July, 2000 28 th July, 2004 30 th July, 2007	<u>2010 Scheme</u> 28 th July, 2010 8 th August, 2014				
D.	Total number of options approved under ESOS	<u>2000 Scheme</u> 74,80,033 Equity Shares of Rs. 10 each.	<u>2010 Scheme</u> 2,25,53,034 Equity Shares of Rs. 5 each.		
E.	Vesting Requirements	2000 Scheme and 2010 Scheme Vesting of options may commence after a period of not less than 1 year from the date of grant, except in case of death or permanent incapacity in which case options would vest immediately. The vesting may occur in one or more tranches, subject to terms and conditions of vesting as may be stipulated by Governance, Nomination and Remuneration Committee.			

* Diluted Earnings Per Share (EPS) pursuant, to effect of potential dilutive shares due to employee stock options calculated in accordance with Accounting Standard (IndAS 33) 'Earnings per Share'

	Particulars	2000 Scheme	2010 Scheme				
	(h) Money realized by exercise of options (INR), if scheme is implemented directly by the company	Not Applicable					
	(i) Loan repaid by the ESOP Trust during the year from exercise price received	NIL					
	(j) Number of options outstanding at the end of the year	NIL		59,16,500			
	(k) Number of options exercisable at the end of the year	NIL		20,34,138			
L.	Weighted-average exercise prices and weighted-average fair values of options for options whose exercise price either equals or exceeds or is less than the market price of the stock.	2010 Scheme					
		Options Grant Date		Exercise price/ weighted average exercise price (Rs.)		Weighted-average Fair value (Rs.)	
		29 th June, 2021 (5 tranches vesting over a period of 84 months)		5.00		731.48	
		1 st July, 2021 (5 tranches vesting over a period of 84 months)		5.00		715.34	
		8 th November, 2021 (2 tranches vesting over a period of 24 months)		5.00		844.80	
		8 th November, 2021 (3 tranches over a period of 36 months)		5.00		838.66	
		8 th November, 2021 (4 tranches vesting over a period of 48 months)		5.00		832.58	
		10 th February, 2022 (2 tranches vesting over a period of 60 months)		5.00		789.15	
		14 th March, 2022 (2 tranches vesting over a period of 60 months)		5.00		683.94	
		14 th March, 2022 (3 tranches vesting over a period of 36 months)		5.00		700.74	
				14 th March, 2022 (5 tranches vesting over a period of 84 months)		5.00	
M.	Employee-wise details of options granted during the year to:						
i)	Senior Managerial Personnel (including Key Managerial Personnel)	Name	Designation		2010 scheme Options granted on 29 th June 2021 ^s	2010 scheme Options granted on 8 th November 2021 ^s	2010 scheme Options granted on 14 th March 2022 ^s
		Dr. Anish Shah	Managing Director & CEO, & Member of the Group Executive Board		2,70,386	–	72,574
		Mr. Rajesh Jejurikar	Executive Director (Automotive & Farm Sectors) & Member of the Group Executive Board		2,13,471	–	64,308
		Mr. Ruzbeh Irani	President - Group HR & Member of the Group Executive Board		59,231	12,527	–
		Mr. S. Durgashankar	Chief Financial Officer - Aerospace, Defense & Agri Sectors®		–	4,821	–

M. Employee-wise details of options granted during the year to:

i)	Senior Managerial Personnel (including Key Managerial Personnel)					
		Name	Designation	2010 scheme Options granted on 29 th June 2021 ^{\$}	2010 scheme Options granted on 8 th November 2021 ^{\$}	2010 scheme Options granted on 14 th March 2022 ^{\$}
		Mr. Zoooben Bhiwandiwalla	CEO - Mahindra Holdings Limited [#]	–	609	–
		Mr. Shriprakash Shukla	Chairman, Mahindra Defence Systems Limited and Chairman, Mahindra Aerospace Private Limited*	63,012	8,207	–
		Mr. Manoj Chugh	President - Group Public Affairs & Member of the Group Executive Board	–	11,075	–
		Mr. Hemant Sikka	President - Farm Equipment Sector & Member of the Group Executive Board	79,395	11,272	–
		Mr. Manoj Bhat	President & Group Chief Financial Officer & Member of the Group Executive Board	50,410	17,641	–
		Mr. Amit Sinha	President - Group Strategy & Member of the Group Executive Board	50,410	21,017	–
		Mr. R. Velusamy	President - Automotive Technology and Product Development & Member of the Group Executive Board	63,012	7,630	–
		Mr. Veejay Nakra	President - Automotive Division & Member of the Group Executive Board	63,012	7,697	–
		Mr. Vinod Sahay	President and Chief Purchase Officer AFS & Member of the Group Executive Board	63,012	7,617	–
		Mr. Narayan Shankar	Company Secretary	–	5,407	–

@ Re-designated w.e.f. 2nd April, 2022. Prior to this, he was President – Group Controller of Finance & Accounts & member of Group Executive Board.

Re-designated w.e.f. 2nd April, 2022. Prior to this, he was President – Mahindra Partners and Group Legal and Compliance & member of Group Executive Board.

* Re-designated w.e.f. 3rd April, 2022. He was Group President (Agri, Aerospace, Defence & Steel sector) & member of Group Executive Board upto 1st April, 2022.

\$ Exercise Price at the time of grant of options: Rs. 5/-.

N.	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following information:	2010 Scheme (Grant date – 29 th June, 2021 - 7 yrs vesting)	2010 Scheme (Grant date – 1 st July, 2021 - 7 yrs vesting)	2010 Scheme (Grant date – 8 th Nov, 2021 - 2 yrs vesting)	2010 Scheme (Grant date – 8 th Nov, 2021 - 3 yrs vesting)	2010 Scheme (Grant date – 8 th Nov, 2021 - 4 yrs vesting)	2010 Scheme (Grant date – 10 th Feb, 2022 - 5 yrs vesting)	2010 Scheme (Grant date – 14 th Mar, 2022 - 5 yrs vesting)	2010 Scheme (Grant date – 14 th Mar, 2022 - 3 yrs vesting)	2010 Scheme (Grant date – 14 th Mar, 2022 - 7 yrs vesting)
		The fair-value of the stock options granted under 2010 Scheme have been calculated using Black-Scholes Options pricing formula and the significant assumptions made in this regard are as follows:								
	(a) weighted-average values of:									
	(i) share price (Per Share)	Rs. 793.50	Rs. 777.70	Rs. 872.85	Rs. 872.85	Rs. 872.85	Rs. 840.20	Rs. 734.80	Rs. 734.80	Rs. 734.80
	(ii) exercise price (Per Share)	Rs. 5	Rs. 5	Rs. 5	Rs. 5	Rs. 5	Rs. 5	Rs. 5	Rs. 5	Rs. 5
	(iii) expected volatility	31.58%	31.57%	39.46%	37.05%	35.01%	32.40%	32.62%	37.62%	31.44%
	(iv) expected option life	7 years	7 years	2.75 years	3.50 years	4.25 years	5.60 years	5.60 years	3.50 years	7 years
	(v) expected dividends	1.10%	1.13%	1.00%	1.00%	1.00%	1.04%	1.19%	1.19%	1.19%
	(vi) risk-free interest rate	6.28%	6.29%	4.85%	5.17%	5.45%	6.23%	6.40%	5.70%	6.71%
	(vii) any other inputs to the model	NIL								
	(b) The method used and the assumptions made to incorporate the effects of expected early exercise	The Company has estimated the expected life of the options on the basis of average of minimum and maximum life of the Options. Historical data is not considered in expected life calculations.								
	(c) How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Volatility is the measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes options pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. For calculating volatility, the daily volatility of the stock prices on the National Stock Exchange, over a period prior to the date of grant, corresponding with the expected life of the options has been considered.								
	(d) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	No other feature has been considered for fair valuation of options except as mentioned in this table at point (a) above.								
O.	Disclosures in respect of grants made in three years prior to IPO under each ESOS	Not applicable								

Please refer notes to the Statement of Changes in Equity and ESOP Note No. 36 to the Financial Statement for the year ended 31st March, 2022 forming part of the Annual Report (2021-22) for relevant disclosures in terms of the Ind AS.

(B) DETAILS RELATED TO GEBS

Sr. No.	Particulars	M&M Employees Welfare Fund No. 1	M&M Employees Welfare Fund No. 2	M&M Employees Welfare Fund No. 3
(a)	General terms and conditions	To manage the Trust Fund and collect and recover the interest, dividends and income thereof and to pay the expenses of collection and other outgoings, if any. To apply or utilize the Trust Fund or any part thereof in the absolute discretion of the Trustees to or for all or any of the Trust objects, schemes, purpose for the benefit and welfare of the Beneficiaries either directly or indirectly and this shall be made from the Trust Fund after deduction of all cost and expenses in accordance with the provision of this Trust Deed.		
(b)	Date of shareholders' approval	Since the GEBS (in the form of Trust Deeds) were existing as on the date of notification of SBEB Regulations, Regulation 6(1) does not apply and as such shareholders' approval is not required for implementing the Trust Deeds.		
(c)	Kind of benefits to be granted under the scheme	<p>The following are the benefits granted to the beneficiaries under these Schemes:</p> <ul style="list-style-type: none"> – Educational Scholarships and reimbursement of expenses towards school/college fees and for further studies, self-improvement courses, libraries, and books & periodicals etc.; – Granting loans for purchase or construction of houses or apartments; – Reimbursement or payment of expenses incurred by or for the beneficiaries towards hospital treatment, surgery, clinical treatment, consultations, periodic checkup, examination including dental, optical etc.; – Providing meals or refreshments or canteens either free of cost or on subsidised basis; – Providing loans for purchase of cars, motor cycles/scooters etc. Provision of transport facilities to and from residence to place of work either free of cost or at subsidized rates; – Providing recreation facilities, reimbursing fees, subscriptions and expenses of clubs or other recreation institutions, subsidising expenses of get-togethers, socials, excursions, tours and gymnasias or the purchase of instruments, apparatus, books and other articles for gymnasias, etc.; – Conducting any other welfare activities which would be conducive to the welfare of the employees/beneficiaries. 		
(d)	Beneficiaries of the scheme	The Beneficiaries of this Trust shall mean all persons who are in permanent employment of the Company, former employees who have retired from the employment of the Company including their respective spouses, dependent unmarried children (up to the age of 25 years) and dependent parents of such employees (including such employees who have deceased during the course of their employment with the Company) or retired employees except promoter or person belonging to the promoter group, independent director, a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding shares of the Company or employees of the Company to whom the provisions of Industrial Disputes Act, 1947 apply and whose terms and conditions of employment with the Company are generally governed by the periodical agreements with the Company.		
(e)	Total assets of the scheme*	Rs. 20.65 crore	Rs. 65.33 crore	Rs. 2.33 crore
(f)	Quantum of holding in own shares/listed holding company shares (both absolute and in percentage)*	6,94,312 Equity Shares of Rs. 5 each of the Company aggregating to 0.06%	4,13,828 Equity Shares of Rs. 5 each of the Company aggregating to 0.03%	1,69,600 Equity Shares of Rs. 5 each of the Company aggregating to 0.01%
(g)	Whether scheme is in compliance of regulation 26(2)/ 27(3) of the regulations, as applicable	Yes	Yes	Yes
(h)	Variation in terms of scheme	NIL	NIL	NIL

* These figures are based on the Audited Financial Results.

(C) DETAILS RELATED TO TRUST

(i) General information on all schemes –

Sl. No.	Particulars	M&M Employees Welfare Fund No. 1		M&M Employees Welfare Fund No. 2		M&M Employees Welfare Fund No. 3		M&M Employees' Stock Option Trust	
		Details		Details		Details		Details	
1.	Details of the Trustee(s)	1)	Ms. Padmini Khare Kaicker	1)	Ms. Padmini Khare Kaicker	1)	Ms. Padmini Khare Kaicker	1)	Ms. Padmini Khare Kaicker
		2)	Mr. Arindam Ghosh	2)	Mr. Arindam Ghosh	2)	Mr. Arindam Ghosh	2)	Mr. Arindam Ghosh
		3)	Mr. Vijay Thakurdesai	3)	Mr. Vijay Thakurdesai	3)	Mr. Vijay Thakurdesai	3)	Mr. Sanjay Gawde [#]
		4)	Mr. Sunil Rane ^{&}	4)	Mr. Sunil Rane ^{&}	4)	Mr. Sunil Rane ^{&}	4)	Mr. Sunil Rane [*]
		5)	Mr. Sanjay Gawde [@]	5)	Mr. Sanjay Gawde [@]	5)	Mr. Sanjay Gawde [@]		

& Appointed w.e.f 30th August, 2021

@ Appointed from close of business hours of 31st March, 2022

Appointed w.e.f 6th May, 2022

* Appointed w.e.f 1st October, 2021

Sl. No.	Particulars	M&M Employees Welfare Fund No. 1	M&M Employees Welfare Fund No. 2	M&M Employees Welfare Fund No. 3	M&M Employees' Stock Option Trust
		Details	Details	Details	Details
2.	Amount of loan disbursed by company / any company in the group, during the year	NIL	NIL	NIL	NIL
3.	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	NIL	NIL	NIL	NIL
4.	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	NIL	NIL	NIL	NIL
5.	Any other contribution made to the Trust during the year	NIL	NIL	NIL	NIL

(ii) Brief details of transactions in shares by the Trust –

Sl. No.	Particulars	M&M Employees Welfare Fund No. 1	M&M Employees Welfare Fund No. 2	M&M Employees Welfare Fund No. 3	M&M Employees' Stock Option Trust
(a)	Number of shares held at the beginning of the year	6,94,312 Equity Shares of Rs. 5 each of the Company	4,13,828 Equity Shares of Rs. 5 each of the Company	1,69,600 Equity Shares of Rs. 5 each of the Company	4,84,24,163 Equity Shares of Rs. 5 each of the Company
(b)	Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share	NIL	NIL	NIL	NIL
(c)	Number of shares transferred to the employees/ sold along with the purpose thereof	NIL	NIL	NIL	Transferred 18,32,862 Equity Shares of Rs. 5 each of the Company to the employees pursuant to exercise of options by them
(d)	Number of shares held at the end of the year	6,94,312 Equity Shares of Rs. 5 each of the Company	4,13,828 Equity Shares of Rs. 5 each of the Company	1,69,600 Equity Shares of Rs. 5 each of the Company	4,65,91,301 Equity Shares of Rs. 5 each of the Company

(iii) In case of secondary acquisition of shares by the Trust –

Particulars	M&M Employees Welfare Fund No. 1	M&M Employees Welfare Fund No. 2	M&M Employees Welfare Fund No. 3	M&M Employees' Stock Option Trust
	Number of shares as a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained	Number of shares as a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained	Number of shares as a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained	Number of shares as a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
Held at the beginning of the year	NIL	NIL	NIL	NIL
Acquired during the year	NIL	NIL	NIL	NIL
Sold during the year	NIL	NIL	NIL	NIL
Transferred to the employees during the year	NIL	NIL	NIL	NIL
Held at the end of the year	NIL	NIL	NIL	NIL