

**Annexure to the Board's Report**

**Disclosures under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2011 ("SBEER Regulations")**

Following is disclosed in the notes to the Financial Statements:

**A. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (8 of 2013) including the Guidance note on accounting for employee share-based payments issued in that regard from time to time, and**

**B. Information regarding Diluted Earnings Per Share 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 Central Government or any other relevant accounting standard as issued from time to time.**

**C. Details related to ESOPs - Marico Employee Stock Option Plan, 2011 (Scheme ESOP 2011 Plan)**

**1. Description of each Employee Stock Option Scheme that existed at any time during the year, including the general terms and conditions of each such Scheme/Plan:**

**a. Date of shareholders' approval:** In the 28<sup>th</sup> Annual General Meeting held on August 5, 2016.

**b. Total number of options approved under ESOPs:** Total number of stock options to be granted to the eligible employees of the Company and its subsidiaries shall not exceed in the aggregate, 0.5% of the issued equity share capital of the Company as on the commencement of Marico ESOP 2011 Plan i.e. August 5, 2016.

**c. Vesting requirements:** Options shall vest not earlier than one year and not later than five years from the Grant Date.

**d. Exercise price or pricing formula:** Exercise Price: The Nomination and Remuneration Committee of the Board (Acting as the Compensation Committee) (hereinafter referred to as "NRC") to determine the price under the various Schemes notified by the notified under Marico ESOP 2011 Plan, in accordance with applicable provisions of SBEER Regulations.

**e. Maximum term of options granted:** Exercise period to commence from the Vesting Date and will expire on completion of each period not exceeding 5 years from the Vesting Date.

**f. Source of shares (primary, secondary or combination):** The source of shares is Primary.

**g. Variation in terms of options:** There was no variation in terms of Options.

**h. Method used to account for Stock Options - Intrinsic or fair value:** Fair value

**i. 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. As per IND AS requirement, the company has to use fair value method.

**4. Option movement during the year (For each ESOPs)**

	Marico ESOP 2011 Plan															
	Scheme I	Scheme II	Scheme III	Scheme IV	Scheme V	Scheme VI	Scheme VII	Scheme VIII	Scheme IX	Scheme X	Scheme XI	Scheme XII	Scheme XIII	Scheme XIV	Scheme XV	Scheme XVI
Number of options outstanding at the beginning of the year	6,99,700	1,900	1,29,200	-	22,800	3,36,400	67,400	6,70,000	2,22,200	50,800	40,10,580	4,25,200	82,900	8,48,500	52,000	2,87,700
Number of options granted during the year	-	-	-	-	-	-	-	-	-	6,248	7,33,397	52,000	7,87,700	62,888	8,48,448	6,083
Number of options forfeited/lapsed during the year	-	-	-	-	-	2,000	5,400	98,900	1,40,500	1,58,200	12,900	1,40,600	-	8,072	79,330	6,083
Number of options vested during the year	-	-	-	-	-	56,700	5,70,400	2,12,700	3,66,380	3,800	-	-	-	3,690	-	-
Number of options exercised during the year	9,97,700	1,900	1,60,900	-	21,300	1,48,900	-	34,800	1,28,900	-	-	-	-	-	-	-
Number of shares arising as a result of exercise of options	9,97,700	1,900	1,60,900	-	21,300	1,48,900	-	34,800	1,28,900	-	-	-	-	-	-	-
Money realized by exercise of options (INR), if scheme is implemented directly by the company	28,37,23,240.00	-	4,22,78,040.00	-	21,300.00	4,85,54,370.00	-	34,800.00	1,48,90,450.00	-	-	-	-	-	-	-
Loan repaid by the Trust during the year from exercise price received	NA	NA	NA	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Number of options outstanding at the end of the year	97,100	-	97,100	-	700	1,25,000	73,900	3,83,900	2,12,200	3,86,380	8,70,200	4,25,200	71,880	9,29,190	52,000	2,87,700
Number of options exercisable at the end of the year	97,100	-	97,100	-	700	1,25,000	73,900	3,83,900	2,12,200	3,86,380	8,860	3,690	-	-	-	-

**5. Weighted average exercise prices and weighted average fair value 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.**

**6. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to:**

The details of stock options granted to Mr. Sangeeta Gupta, Managing Director & CEO, during the financial year 2022-23 are as follows:

Particulars	No. of Options	Date of Vesting
(a) senior managerial personnel;		
(b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and		
(c) 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.	507,960	31-03-2024
RSUs (exercise price: Nil -)	52,080	31-03-2024

**7. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:**

	Marico ESOP 2011 Plan																																
	Scheme I	Scheme II	Scheme III	Scheme IV (Part - 1)	Scheme V	Scheme III (Part - 1)	Scheme IV (Part - 2)	Scheme VI	Scheme VII	Scheme VIII	Scheme IX	Scheme X	Scheme XI	Scheme XII	Scheme XIII	Scheme XIV	Scheme XV	Scheme XVI (Part - 1)	Scheme XVII	Scheme XVIII	Scheme XIX	Scheme XX	Scheme XXI	Scheme XXII	Scheme XXIII	Scheme XXIV	Scheme XXV	Scheme XXVI (Part - 1)	Scheme XXVII	Scheme XXVIII	Scheme XXIX	Scheme XXX	Scheme XXXI
(i) The weighted average values of share price	₹ 296.40	₹ 295.30	₹ 295.30	₹ 299.40	₹ 290.10	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40	₹ 290.40
(ii) The weighted average values of exercise price	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20	₹ 280	₹ 280.20
(iii) The weighted average values of expected volatility	25.80%	26.00%	26.00%	26.20%	26.20%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%	26.30%
(iv) The weighted average values of expected dividend yield	3.75 years	3.5 years	3.5 years	3.68 years	3.68 years	3.49 years	3.5 years	3.5 years	3.5 years	3.5 years	3.5 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	3.49 years	
(v) The weighted average values of expected risk-free interest rate	0.96%	0.96%	0.96%	1.02%	1.02%	0.96%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	
(vi) The weighted average values of the risk-free interest rate	7.33%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	6.35%	

**8. The method used and the assumptions made to incorporate the effects of expected early exercise:** Fair Value

**9. How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and**

Historical volatility of the share of the Company over the previous 30 days ended August 5, 2016, based on the life of options

Historical volatility of the share of the Company over the previous 25 years ended December 1, 2016, based on the life of options

Historical volatility of the share of the Company over the previous 308 weeks ended May 2, 2017, based on the life of options

Historical volatility of the share of the Company over the previous 1.5 years ended December 1, 2017, based on the life of options

Historical volatility of the share of the Company over the previous 3.5 years ended May 31, 2018, based on the life of options

Historical volatility of the share of the Company over the previous 3.5 years ended December 1, 2018, based on the life of options

Historical volatility of the share of the Company over the previous 3.5 years ended May 31, 2019, based on the life of options

Historical volatility of the share of the Company over the previous 3.5 years ended December 1, 2019, based on the life of options

Historical volatility of the share of the Company over the previous 3.5 years ended May 31, 2020, based on the life of options

Historical volatility of the share of the Company over the previous 3.5 years ended December 1, 2020, based on the life of options

Historical volatility of the share of the Company over the previous 3.5 years ended May 31, 2021, based on the life of options

Historical volatility of the share of the Company over the previous 3.5 years ended December 1, 2021, based on the life of options

Historical volatility of the share of the Company over the previous 3.5 years ended May 31, 2022, based on the life of options

Historical volatility of the share of the Company over the previous 3.5 years ended December 1, 2022, based on the life of options

Historical volatility of the share of the Company over the previous 3.5 years ended May 31, 2023, based on the life of options

**10. Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition:** NA

**11. Disclosures in respect of grants made in three years prior to IPO under each ESOP until all options granted in the three years prior to the IPO have been exercised or have lapsed. Disclosures of the information specified above in respect of such options shall also be made.** NA

D	Details related to SAR	Scheme IX	Scheme X	Scheme XI	Scheme XII																																																																																																									
1	Description of each Stock Appreciation Right (SAR) scheme that existed at any time during the year, including the general terms and conditions of each SAR scheme, including:																																																																																																													
2	Date of shareholders' approval	Approved by NRC on December 9, 2016*	Approved by NRC on December 9, 2016*	Approved by NRC on December 9, 2016*	Approved by NRC on December 9, 2016*																																																																																																									
3	Total number of shares approved under the SAR scheme	The Marico Employee Stock Appreciation Rights Plan 2011 ("STAR Plan") was initially approved by the Board of Directors of the Company at its meeting held on January 23, 2011 and subsequently the modified STAR Plan was approved by the Board of Directors at its meeting held on June 10, 2015 and the same was recommended to the shareholders. The STAR Plan was then approved by the shareholders at their meeting held on August 5, 2015, in order to align the STAR Plan with the requirements of enforceable the SEBI (Share Based Employee Benefits) Regulations, 2014. NRC has, from time to time, notified STAR schemes under the STAR Plan as authorized under the abovementioned resolutions. The secondary acquisitions by the Trust shall not be more than 1/35 of the paid up equity share capital of the Company as at the end of the financial year, immediately preceding the year in which approval of the shareholder was obtained for such secondary acquisitions.																																																																																																												
4	vesting requirements	1/35 of the paid up equity share capital as at the end of the previous financial year and 2/35 of the paid up equity share capital of the Company for each participant during a financial year. As determined by NRC in the respective Schemes notified under the Plan.																																																																																																												
5	SAR price or pricing formula	Average of Closing Market Price for a period of 22 Working Days (of The Stock Exchange) immediately preceding the Grant date.																																																																																																												
6	Maximum term of SAR granted	Period not exceeding 5 years from the Grant Date.																																																																																																												
7	Method of settlement (whether in cash or equity)	Method of settlement is Cash settlement.																																																																																																												
8	Choice of settlement (with the company or the employee or combination)	Choice vests with the Company.																																																																																																												
9	Source of shares (primary, secondary or combination)	Source of acquisition is Secondary.																																																																																																												
10	Validation in terms of scheme	None																																																																																																												
11	Method used to account for SAR- intrinsic or fair value	Fair Value																																																																																																												
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13	SAR movement during the year (for each SAR scheme)	<table border="1"> <thead> <tr> <th></th> <th colspan="3">STAR IX</th> <th colspan="3">STAR X</th> <th colspan="3">STAR XI</th> <th>STAR XII</th> </tr> <tr> <th>Particulars</th> <th>Tranche I</th> <th>Tranche II</th> <th>Tranche III</th> <th>Tranche I</th> <th>Tranche II</th> <th>Tranche III</th> <th>Tranche I</th> <th>Tranche II</th> <th>Tranche III</th> <th></th> </tr> </thead> <tbody> <tr> <td>Number of SARs outstanding at the beginning of the year</td> <td>27,54,441</td> <td>46,830</td> <td>3,831</td> <td>3,92,199</td> <td>39,244</td> <td>6,134</td> <td>5,33,550</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Number of SARs granted during the year</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>68,812</td> <td>49,891</td> <td>54,380</td> </tr> <tr> <td>Number of SARs forfeited / lapsed during the year</td> <td>16,281</td> <td>16,410</td> <td>2,221</td> <td>54,500</td> <td>-</td> <td>-</td> <td>88,459</td> <td>-</td> <td>-</td> <td>16,528</td> </tr> <tr> <td>Number of SARs vested during the year</td> <td>2,48,860</td> <td>6,210</td> <td>3,150</td> <td>3,860</td> <td>-</td> <td>-</td> <td>3,694</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Number of SARs exercised/lapsed during the year</td> <td>2,48,860</td> <td>6,210</td> <td>3,150</td> <td>3,860</td> <td>-</td> <td>-</td> <td>3,694</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Number of SARs outstanding at the end of the year</td> <td>NA</td> <td>NA</td> <td>NA</td> <td>2,98,299</td> <td>39,244</td> <td>6,134</td> <td>6,45,449</td> <td>68,812</td> <td>49,891</td> <td>57,952</td> </tr> <tr> <td>Number of SARs exercisable at the end of the year</td> <td>NA</td> <td>NA</td> <td>NA</td> <td>NA</td> <td>NA</td> <td>NA</td> <td>NA</td> <td>NA</td> <td>NA</td> <td>NA</td> </tr> </tbody> </table>											STAR IX			STAR X			STAR XI			STAR XII	Particulars	Tranche I	Tranche II	Tranche III	Tranche I	Tranche II	Tranche III	Tranche I	Tranche II	Tranche III		Number of SARs outstanding at the beginning of the year	27,54,441	46,830	3,831	3,92,199	39,244	6,134	5,33,550	-	-	-	Number of SARs granted during the year	-	-	-	-	-	-	-	68,812	49,891	54,380	Number of SARs forfeited / lapsed during the year	16,281	16,410	2,221	54,500	-	-	88,459	-	-	16,528	Number of SARs vested during the year	2,48,860	6,210	3,150	3,860	-	-	3,694	-	-	-	Number of SARs exercised/lapsed during the year	2,48,860	6,210	3,150	3,860	-	-	3,694	-	-	-	Number of SARs outstanding at the end of the year	NA	NA	NA	2,98,299	39,244	6,134	6,45,449	68,812	49,891	57,952	Number of SARs exercisable at the end of the year	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
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14	Employee-wise details (name of employee, designation, number of SAR granted during the year, exercise price of SAR granted etc.)	Details with respect to the grants made to the Senior management personnel and employee(s), if any, who were granted SARs amounting to 5% or more of SARs granted during the year, shall be made available to the Members based on request received by the Company at investor@marico.com. No employee of the Company was granted SARs during the year equal to or exceeding 5% of Issued Capital of the Company.																																																																																																												
15	(a) senior managerial personnel; (b) any other employee who receives a grant in any year of SAR amounting to 5% or more of SAR granted during that year and (c) identified employee who were granted SARs during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversion) of the company at the time of grant.	NA																																																																																																												
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E		
Details related to Trust		
The following details, inter alia, in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are to be disclosed:		
Particulars	Details - FY13	Details - FY12
I. General Information		
1 Name of the Trust	Wellfare of Maricoans Trust	Wellfare of Maricoans Trust
2 Details of the Trustees(s)	SOB Trusteeship Services Limited	SOB Trusteeship Services Limited
3 Amount of loan disbursed by company / any company in the group, during the year	1,20,00,000	16,60,00,000
4 Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	47,48,75,344	3,89,88,664
5 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
6 Any other contribution made to the Trust during the year	Nil	Nil
II. Brief details of transactions in the shares by the Trust		
1 Number of shares held at the beginning of the year	102,03,911	10,71,799
2 Number of shares acquired during the year	4,82,117	4,65,400
3 Through primary issuance	-	-
4 Through secondary acquisition	4,82,117	4,65,400
5 Acquisition as a percentage of paid up equity capital as at the end of the previous financial year	0.481	0.481
6 Weighted average cost of acquisition per share	368.03	404.93
7 Number of shares sold/vested to the employees	2,03,534	2,35,269
8 Purpose of shares sold	Vesting of STAR Scheme IX & vesting of certain STARs under Scheme A & B	Vesting of STAR Scheme VII
9 Number of shares held at the end of the year	1,04,02,494	15,55,939
III. In case of secondary acquisition of shares by the Trust		
Number of shares		
1 Held at the beginning of the year	102,03,911	10,71,799
2 Acquired during the year	4,82,117	4,65,400
3 Sold during the year	2,03,534	2,35,269
4 Transferred to the employees during the year (Number of shares vested)	2,03,534	2,35,269
5 Held at the end of the year	14,66,960	13,69,939

Note: Vote postal notice dated April 7, 2013, the Company sought, inter-alia, approval of the shareholders for the following matters, further details of which are provided in the Board's Report for the FY 2012-13:

- Increase in limit of Options that can be granted from time to time under Marico ESOP 2016 Plan from the existing limits of 0.6% of the issued equity share capital of the Company as on the Commencement Date in respect of 2016, being 73,41,017 Options, to an aggregate of 2,04,61,017 Options (to be adjusted for any change in capital structure of the Company) constituting an additional 13.31% of Options. The limit for grant of Options to any single Eligible Employee in any one single scheme notified under Marico ESOP 2016 Plan remains unchanged at 0.3% of the issued capital as on the Commencement Date, being 19,52,157 Options.
- Amendments to Marico ESOP 2016 Plan modifying the relevant clauses to give effect to the aforesaid increase in limits and certain other changes intended to bring the language thereof in conformity with the enacted SEBI Regulations and adopt references to latest regulatory amendments.