

ANNEXURE - V TO THE DIRECTORS' REPORT

[Pursuant to Regulation 14 read with Part F of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB Regulations”) and Section 62(1)(b) of the Companies Act 2013, read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014]

All the relevant details of the Company’s Employee Stock Option Scheme are provided below and are also available on website of the Company at: <https://www.cera-india.com/esos-disclosures>

A. Relevant disclosures in terms of the Accounting Standards prescribed by the Central Government and Section 133 of the Companies Act, 2013 including the ‘Guidance note on accounting for employee share based payments’ issued in that regard from time to time:

The Disclosure on Share based Payment has been made in Note no. 34.2 to the Standalone financial statements forming part of these Annual Report.

B. 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 the Central Government or any other relevant Accounting Standards as issued from time to time:

Diluted Earnings Per Share is Rs.190.40

C. Details related to “Cera Sanitaryware – Employee Stock Option Scheme 2024 (ESOS 2024)”

(i) General terms and conditions of ESOS 2024

Particulars	Details
(a) Date of shareholders' approval	16 th May, 2024
(b) Total number of options approved under ESOS	Total number of shares covered under the Plan shall not exceed 2,60,000 (Two Lakhs Sixty Thousand) equity shares of the Company.
(c) Vesting requirements	Upon a valid exercise of a vested option by a participant, each vested option will entitle the eligible employee to 1 (one) fully paid up equity share of the Company. There shall be minimum Vesting Period of 1 (One) year and not later than maximum Vesting Period of 5 (Five) years from the Grant Date. Every grant of options shall be governed by a vesting schedule and such other terms and detailed in the letter of grant issued to the eligible employee(s) at the time of each grant.
(d) Exercise price or pricing formula	The exercise price per such Option shall be the face value of the Shares of the Company at the time of Grant.
(e) Maximum term of options granted	Options granted under this ESOS 2024 would Vest not earlier than minimum Vesting Period of 1 (One) year and not later than maximum Vesting Period of 5 (Five) years from the Grant Date.
(f) Source of shares (primary, secondary or combination)	The Plan will be implemented and administered through trust route wherein a trust will acquire the equity shares of the Company by primary issuance/ secondary acquisition shares of the Company through trust or both in one or more tranches.
(g) Variation in terms of options	During the year, no amendment/ modification/ variation has been introduced in terms of options.

(ii) Method used to account for ESOS: Fair Value

(iii) 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

(iv) Option movement during the year:

Particulars	Details
Number of options outstanding at the beginning of the period	Nil
Number of options granted during the year	14,950
Number of options forfeited / lapsed during the year	Nil
Number of options vested during the year	Nil
Number of options exercised during the year	Nil
Number of shares arising as a result of exercise of options	Nil
Money realized by exercise of options (INR), if scheme is implemented directly by the company	Nil
Loan repaid by the Trust during the year from exercise price received	Nil
Number of options outstanding at the end of the year	14950
Number of options exercisable at the end of the year	Nil

(v) 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.: Details are covered under Note 34.2 to the standalone financial statements

(vi) Employee wise details of options granted during the Financial Year.

(a) Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No.	Name and Designation	Number of Option Granted during the year
1	Mr. Anupam Gupta, Executive Director (Technical)	3500
2	Mr. Vikas Kothari, Chief Financial Officer	1250
3	Mr. Rahul Jain, President- Marketing	1000
4	Mr. Sandeep Abraham, President- Sales	1000
5	Mr. Hemal Sadiwala Company Secretary	300

The exercise price per such Option shall be the face value of the Shares of the Company at the time of Grant.

(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:

Sr. No.	Name and Designation	Number of Option Granted during the year
1	Mr. Ajay Jain, Sr. Vice President - Production	1350

The exercise price per such Option shall be the face value of the Shares of the Company at the time of Grant.

(c) Identified employees 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:

Particulars	Details
(a) Weighted-average values of share price, Exercise price, Expected volatility, Expected option life, Expected dividends, Risk-free interest rate The price of the underlying shares in market at the time of Option grant	Details are covered under Note 34.2 to the standalone financial statements

(b) the method used and the assumptions made to incorporate the effects of expected early exercise:

Black Scholes Option Pricing model

(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;

The volatility used in the Black Scholes Option Pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the Options.

(d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.

The fair value at grant date is determined using “Black Scholes Model” which takes into account the exercise price, term of the option, share price at Grant date, expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option.

Disclosures in respect of grants made in three years prior to IPO under each ESOS: Not Applicable

D. Details related to Trust:

(i) General information on ESOP 2024 Scheme:

Particulars	Details
1. Name of the Trust	Cera Sanitaryware Employees Welfare Trust
2. Details of the Trustee(s)	
Name	Qapita Equitytech Ltd (Formerly known as KP Corporate Solutions Ltd.)
Address	IndiQube The Kode, 7 th Floor, S.No' 134, Hissa No. 1/38, Baner Pashan, Link Road, Pune - 471045
Occupation	Service (In the field of ESOP Consulting)
Nationality	Indian
3. Amount of loan disbursed by company, during the year	Rs.271.00 Lakhs
4. Amount of loan outstanding (repayable to company) as at the end of the year	Rs.258.19 Lakhs
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
6. Any other contribution made to the Trust during the year	Nil

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

Particulars	Details
(a) Number of shares held at the beginning of the year	Nil
(b) Number of shares acquired during the year through	
(i) Primary issuance	-
- Percentage of paid up equity capital as at the end of the previous financial year	-
- Weighted average cost of acquisition per share;	-
(ii) Secondary acquisition	3739
- Percentage of paid up equity capital as at the end of the previous financial year	0.03%
- Weighted average cost of acquisition per share;	Rs.6865
(c) Number of shares transferred to the employees / sold along with the purpose thereof;	-
(d) Number of shares held at the end of the year.	3739

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

Particulars	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
Acquired during the year	3739	0.03%
Sold during the year	Nil	Nil
Transferred to the employees during the year	Nil	Nil
Held at the end of the year	3739	0.03%

It is hereby confirmed that there are no material change in the scheme(s) and the scheme is in compliance with the SEBI (Share Based Employee Benefits And Sweat Equity) Regulations, 2021.

Ahmedabad
9th May, 2025

Vikram Somany
Chairman and Managing Director
(DIN:00048827)