

Disclosure under Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI SBEBS Regulations) forming part of the Directors' Report for the year ended March 31, 2025

I. Details related to Employee Stock Option Scheme

The Disclosures pursuant to Regulation 14 of SEBI (SBEBS) Regulations 2021 are as under:

- **SeQuent Scientific Limited Employees Stock Option Plan 2020**

- A.** Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments issued in that regard from time to time:

For details, shareholders may refer to the audited financial statement which forms part of the Annual Report FY2024-25.

- 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 (IND AS) 33- Earning per share' (Erstwhile 'Accounting Standard 20 - Earnings Per Share') issued by Central Government or any other relevant accounting standards as issued from time to time:

Diluted EPS for ESOP Scheme for the year ended March 31, 2025 is as follows: 0.62

- C.** Details related to the Scheme:

- i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including –**

Sr No.	Particulars	ESOP Scheme, 2020
a.	Date of Shareholders Approval	January 17, 2021
b.	Total no. of options approved under ESOP	1,85,00,000 options
c.	Vesting requirements	<p>The Options granted shall vest so long as an eligible employee continues to be in the employment of the Company or the Subsidiary Company as the case may be, as under:</p> <p>Class A Options</p> <p>The Class A Options granted under the Scheme shall vest in 5 (five) equal annual tranches as under:</p> <ul style="list-style-type: none"> • First tranche to vest at the end of 12 months from the date of grant in compliance with SEBI Regulations • Subsequent 4 (four tranches) to vest on 8th September of

		<p>every year commencing from 8th September 2022, which is the anniversary of Carlyle taking control of the Company.</p> <p>Class B Options</p> <p>The Class B Options granted under the Scheme shall vest on earlier of:</p> <ul style="list-style-type: none"> • Completion of 7th year commencing from the date of grant of options, OR • On Change of Control (cessation of control by the majority shareholder) combined with achieving the pre-determined Market Cap of the Company as compared to the Market Cap as on September 30, 2020 <p>It is to be noted that due to voluntary surrender of class B options by employees who were granted the same under SeQuent ESOP Plan 2020, stand lapsed as on date.</p> <p>Class C Options</p> <p>The Class C Options granted under the Scheme shall vest earlier of:</p> <ul style="list-style-type: none"> • Completion of 7th year commencing from the date of grant of options, OR • On achieving the Financial Outcomes, either in terms of Revenue, EBITDA, PAT or such other quantifiable financial matrix either on a Group Level or on a Regional Level or Divisional level (Financial Outcome) to be agreed to between NRC and the Optionee at the time of grant of the options. <p>In any case, the vesting will be subject to completion of one year from the date of the grant.</p>
d.	Exercise price or pricing formula	Rs. 86/- per option
e.	Maximum period of options granted	7 years from the date of grant of options
f.	Source of shares (Primary/Secondary/Combination)	Primary
g.	Variation in terms of options	There has been variation in terms of vesting schedules of few employees as per their letter of grant which was not prejudicial to their interest.

ii) **Method used to account for ESOP (Intrinsic or Fair value):** 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 FY 2024-25:

Sr No.	Particulars	ESOP Scheme, 2020
a.	Number of options outstanding as on April 1, 2024	1,30,97,500
b.	Number of options granted during year	36,05,000
c.	Number of options forfeited / lapsed during the year	6,20,000
d.	Number of options vested during the year	16,00,000
e.	Number of options exercised during the year	8,68,500
f.	Number of shares arising as a result of exercise of options	8,68,500
g.	Money realized by exercise of options (INR), if scheme is implemented directly by the company	7,46,91,000
h.	Options outstanding as on March 31, 2025	1,52,14,000
i.	Options exercisable as on March 31, 2025	40,19,000
j.	Loan repaid by the Trust during the year from exercise price	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:

- Weighted average exercise price: Rs. 86
- Weighted average fair value: Rs. 97.8

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

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

Sl. No.	Name of the Senior Managerial Personnel	Designation	Number of options granted during the year*		Exercise price of options granted
			Class A	Class C	
1	Saurav Bhala	Chief Financial Officer	-	7,00,000	Rs. 86/- per option
2	Vedprakash Ragate	Whole-Time Director	-	3,00,000	Rs. 86/- per option
3	Pankaj Lohan	VP, Formulations (Domestic)	1,00,000	1,00,000	Rs. 86/- per option
4	Ashish Kakabalia	VP, Business Development and R&D	-	-	Rs. 86/- per option

5	Phillip Trott	AVP Legal & Compliance	-	-	Rs. 86/- per option
6	Pradip Natarajan	AVP, Quality Assurance	-	-	Rs. 86/- per option
7	Prasad Lad	VP, Human Resources and Admin	-	-	Rs. 86/- per option

***It is to be noted that Above list only includes New Grants made during the year. The NRC at its meeting held on September 6, 2024, had approved the surrender of Class B options granted to certain employees, in lieu of which Grant of Class A and Class B options was made to said employees.**

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:

Sl. No.	Name of Employees who receive grant amounting to 5% or more of option granted during the year	Designation	Number of options granted during the year*		Exercise price of options granted
			Class A	Class C	
1	Alexis Goux	Vice President Marketing (Laboratorios Karizoo S. A., Spain)	-	5,00,000	Rs. 86/- per option
2	Claudinei Vieira	Chief Executive Officer (Expediente Distribidora Productos Veterinarios Ltda., Brazil)	1,00,000	1,50,000	Rs. 86/- per option
3	Murat Mentesh	Chief executive officer (Provet Veteriner Ürünleri San. Ve Tic. A. Ş., Turkey)	-	1,50,000	Rs. 86/- per option
4	Ramon Vila	Chief Executive Officer (Laboratorios Karizoo S. A., Spain)	-	1,50,000	Rs. 86/- per option
5	Parag Maheshwari	Associate Vice President (Alivira Animal Health Limited)	1,00,000	1,00,000	Rs. 86/- per option
6	Saurabh Chambhare	Head - Strategic Operations and Planning (Alivira Animal Health)	1,00,000	1,00,000	Rs. 86/- per option

		Limited)			
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***It is to be noted that Above list only includes New Grants made during the year. The NRC at its meeting held on September 6, 2024, had approved the surrender of Class B options granted to certain employees, in lieu of which Grant of Class A and Class B options was made to said employees.**

- 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: None

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

- (a) The weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model:

Sr. No	Particulars	2024-25
1.	Weighted average risk-free interest rate	6.85% to 6.93%
2.	Weighted average expected Options life	3 to 6 years
3.	Weighted average expected volatility	42.45% to 43.47%
4.	Weighted average expected dividends per share of face value of Rs 2	NIL
5.	Weighted average share price	173.66
6.	Weighted average exercise price	86

- (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 extent to which expected volatility was based on historical volatility: Volatility was calculated using standard deviation of daily change in stock price: Volatility was calculated using standard deviation of daily change in stock price

- (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 Company has applied Black Scholes Option Pricing Model to stimulate equity value of the Company for options granted.

- **SeQuent Scientific Limited Employees Stock Option Plan 2010**

- A.** Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments issued in that regard from time to time:

For details, shareholders may refer to the audited financial statement which forms part of the Annual Report FY2024-25.

- 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 (IND AS) 33- Earning per share' (Erstwhile 'Accounting Standard 20 - Earnings Per Share') issued by Central Government or any other relevant accounting standards as issued from time to time:

Diluted EPS for ESOP Scheme for the year ended March 31, 2025 is as follows: 0.62

- C.** Details related to the Scheme:

- i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including –**

Sr No.	Particulars	ESOP Scheme, 2010	
a.	Date of Shareholders Approval	September 24, 2015	
b.	Total no. of options approved under ESOP	7% of paid up capital	
c.	Vesting requirements	Year	% of options vested
		1	25
		2	25
		3	25
		4	25
		The options shall vest with a maximum period of 5 years from the date of grant. In any case, the vesting will be subject to completion of one year from the date of the grant.	
d.	Exercise price or pricing formula	Closing Market prices of company's equity shares on the stock exchange which has highest trading volume on a day prior of grant of options.	
e.	Maximum period of options granted	4 years from the date of grant of options	
f.	Source of shares (Primary/Secondary/Combination)	Primary	
g.	Variation in terms of options	Nil	

Method used to account for ESOP (Intrinsic or Fair value):

Pursuant to the resolution passed by the shareholders of the Company at the 36th Annual General Meeting held on September 21, 2021, the Company had discontinued issuance of ESOPs under the SeQuent Scientific Employee Stock Option Scheme 2010. Accordingly, the scheme is no longer active for the purpose of granting stock options.

- ii) 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:**

Pursuant to the resolution passed by the shareholders of the Company at the 36th Annual General Meeting held on September 21, 2021, the Company had discontinued issuance of ESOPs under the SeQuent Scientific Employee Stock Option Scheme 2010. Accordingly, the scheme is no longer active for the purpose of granting stock options.

- iii) Option movement during FY 2024-25:**

Sr No.	Particulars	ESOP Scheme, 2010
a.	Number of options outstanding as on April 1, 2024	45,000
b.	Number of options granted during year	-
c.	Number of options forfeited / lapsed during the year	45,000
d.	Number of options vested during the year	-
e.	Number of options exercised during the year	-
f.	Number of shares arising as a result of exercise of options	-
g.	Money realized by exercise of options (INR), if scheme is implemented directly by the company	-
h.	Options outstanding as on March 31, 2025	-
i.	Options exercisable as on March 31, 2025	-
j.	Loan repaid by the Trust during the year from exercise price	NIL

- iv) 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:**

Pursuant to the resolution passed by the shareholders of the Company at the 36th Annual General Meeting held on September 21, 2021, the Company had discontinued issuance of ESOPs under the SeQuent Scientific Employee Stock Option Scheme 2010. Accordingly, the scheme is no longer active for the purpose of granting stock options.

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

Pursuant to the resolution passed by the shareholders of the Company at the 36th Annual General Meeting held on September 21, 2021, the Company had discontinued issuance of ESOPs under the SeQuent Scientific Employee Stock Option Scheme 2010. Accordingly, the scheme is no longer active for the purpose of granting stock options.

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

Pursuant to the resolution passed by the shareholders of the Company at the 36th Annual General Meeting held on September 21, 2021, the Company had discontinued issuance of ESOPs under the SeQuent Scientific Employee Stock Option Scheme 2010. Accordingly, the scheme is no longer active for the purpose of granting stock options.

II. Details related to Trust:

Sr No.	Particulars	Details
1	Name of the Trust	Sequent Scientific Employee Stock Option Plan Trust
2	Details of the Trustees	Mr. Prasad Lad and Mrs. Kalpana Mukherjee
3	Amount of loan disbursed by company / any company in the group, during the year	Nil
4	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	Nil
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	21,240/-

III. Brief details of transactions in shares by the Trust

(a)	Number of shares held as on April 1, 2024	4,12,250
(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
(c)	Number of shares transferred to the employees / sold along with purpose thereof	NIL
(d)	Number of shares held as on March 31, 2025	4,12,250