

**DETAILS / DISCLOSURES OF EMPLOYEE STOCK OPTIONS SCHEME**

**Disclosures pursuant Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI ESOP Regulations”) as at March 31, 2023**

**Description of the ESOP Schemes**

The Company has formulated and implemented 02 (Two) Employee Stock Option Plans viz. Nazara Technologies Employee Stock Option Plan 2017 and 2. Nazara Technologies Employee Stock Option Scheme 2020, the details of which are provided as follows:

**1. Nazara Technologies Employee Stock Option Plan 2017 (“ESOP 2017”):** Our Company adopted ESOP 2017, pursuant to the resolutions dated December 11, 2017 and December 15, 2017 passed by the Board and Shareholder respectively. The purpose of ESOP 2017 is to reward eligible employees of our Company (as defined in ESOP 2017) for their performance in our Company and to share the wealth created by our Company with them. The aggregate number of Equity Shares to be issued under ESOP 2017, upon exercise, shall not exceed 5,87,500 Equity Shares at such price and on such terms and conditions as may be fixed or determined by the Board. The ESOP 2017 is in compliance with the then SEBI ESOP Regulations.

**2. Nazara Technologies Employee Stock Option Scheme 2020 (“ESOP 2020”):**

Our Company adopted ESOP 2020, pursuant to the resolutions dated November 23, 2020 and December 30, 2020 passed by the Board and Shareholder respectively. The purpose of ESOP 2020 is to reward eligible employees of our Company (as defined in ESOP 2020) for their performance in our Company and to share the wealth created by our Company with them. The aggregate number of Equity Shares to be issued under ESOP 2020, upon exercise, shall not 1,50,000 Equity Shares at such price and on such terms and conditions as may be fixed or determined by the Board. ESOP 2020 is in compliance with the then SEBI ESOP Regulations.

(On promulgation of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021), the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and and the Securities and Exchange Board of India (Issue of Sweat Equity) Regulations, 2002 have been repealed.

**The disclosures pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are detailed under for ESOP 2017 and ESOP 2020:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	The Board of Directors in its Report shall disclose any material change in the scheme(s) and whether Scheme(s) is/are in compliance with the regulations	There is no change in ESOP 2017 and ESOP 2020 Schemes and the Scheme(s) are in compliance with the SEBI ESOP Regulations. Refer to the Board’s Report, page 50 of the Annual Report FY 2022-23.
2.	Further the following details, inter alia, are disclosed on the Company’s website and a web link is provided in the Board’s Report.	
A	Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 ‘Guidance note on accounting for employee share-based payments’ issued in that regards from time to time.	Disclosed in Notes to Accounts – Note 30 to Standalone Financial Statements for the year ended March 31, 2023, page 179 of the Annual Report FY 2022-23 respectively. (Disclosure are provided in accordance with Ind-AS 102 – Share Based Payment).
B	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with ‘Accounting Standards 20- Earnings Per Share’ Issued by Central Government or any other relevant accounting standards as issued from time to time.	Refer to page 175 and 243 of the Annual Report FY 2022-23 for disclosure of Diluted EPS at standalone and consolidated financial statements respectively.
C	Details related to Employee Stock Options Schemes for the Financial Year ending March 31, 2023:	

The disclosures pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are detailed under for ESOP 2017 and ESOP 2020:

Sr. No.	Particulars	ESOP 2017					ESOP 2020		
i.	A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including -								
a.	Date of shareholders' approval	December 15, 2017					December 30, 2020		
b.	Total number of options/units approved	5,87,500*					1,50,000**		
c.	Vesting requirements	The vesting period of options granted shall vest <b>in not less than one year and not more than five years</b> from the date of grant of such options.					The vesting period of options granted shall vest <b>in not less than one year and not more than five years</b> from the date of grant of such options.		
d.	Exercise price or pricing formula	₹ 282.91/- per option*					₹ 728/- per option**		
e.	Maximum term of options/units granted	The maximum term of options granted shall vest in not more than <b>five years</b> from the date of grant of such options.					The maximum term of options granted shall vest in not more than <b>five years</b> from the date of grant of such options.		
f.	Source of shares	Primary					Primary		
g.	Variation in terms of options	Nil					Nil		
ii.	Method used to account for ESOP	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 recognizeised 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.	<b>Movement during the year (For each ESOP):</b>	<b>ESOP 2017</b>					<b>ESOP 2020</b>		
	<b>Particulars</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>
1	Number of options outstanding at the beginning of the period	5,62,733	5,62,733	5,62,733	2,98,247	2,07,247*	-	1,47,955	1,47,955**
2	Number of options granted during the year	Nil	Nil	Nil	Nil	Nil	1,47,955	Nil	Nil
3	Number of options forfeited / lapsed during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4	Number of options vested during the year	Nil	Nil	Nil	Nil	Nil	Nil	1,47,955	Nil
5	Number of options exercised during the year	Nil	Nil	2,64,486	91,000	3,14,034*	Nil	Nil	2,95,910**
6	Number of shares arising as a result of exercise of options	Nil	Nil	2,64,486	91,000	3,14,034*	Nil	Nil	2,95,910**
7	Money realised by exercise of options (in ₹) if scheme is implemented directly by the Company	-	-	7,48,25,734	2,57,44,810	5,86,32,248	-	-	10,77,11,240
8	Loan repaid by the Trust during the year from exercise price received	NA	NA	NA	NA	NA	NA	NA	NA
9	Number of options outstanding at the end of the year	5,62,733	5,62,733	2,98,247	20,7247	-	1,47,955	1,47,955	-
10	Number of options exercisable at the end of the year	5,62,733	5,62,733	2,98,247	20,7247	-	1,47,955	1,47,955	-

Sr. No.	Particulars	ESOP 2017					ESOP 2020			
v.	<b>Weighted-average exercise prices and weighted-average fair values of options</b>									
1	Where the exercise price is less than the market price of the stock	Weighted average exercise price is ₹ 282.91/-					Weighted average exercise price is ₹ 728/-			
2	Where the exercise price equals the market price of the stock	NA					NA			
3	Where the exercise price is more than the market price of the stock	NA					NA			
vi.	<b>Employee wise details (name of employee designation number of options granted during the year exercise price) of options granted to -</b>									
	<b>Particulars</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2021</b>		<b>FY 2022</b>	<b>FY 2023</b>
a)	senior managerial personnel;	No options were granted during the FY 2018-19 to FY 2022-23					During FY 2020-21 Mr. Manish Agarwal – former Chief Executive Officer- was granted 147955 options		No Options were granted during the F.Y .2021-22 and FY 2022-23.	
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						Mr. Manish Agarwal – former Chief Executive Officer- 147955 options			
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.						Nil			

Sr. No.	Particulars	ESOP 2017	ESOP 2020
vii.	<b>A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:</b>		
a.	Weighted-average values of share price		
	Exercise Price	As provided in notes to accounts no 30 at page No 179 and 180 of the Standalone Financial Statements for the FY 2022-23	
	Expected Volatility		
	Expected Option Life		
	Expected Dividends		
	The risk free interest rates		
	Any other inputs to the model		
b.	the method used and the assumptions made to incorporate the effects of expected early exercise;		
c.	how expected volatility was determined including an explanation of the extent to which expected volatility was based on historical volatility; and		
d.	whether and how any other features of the option grant were incorporated into the measurement of fair value such as a market condition.		
viii	Disclosures in respect of grants made in three years prior to IPO under each ESOP	Disclosures in respect of grants made in 3 years prior to the IPO under the ESOP 2017 & ESOP 2020 of the Company has been disclosed in the table hereinabove under the caption (iv.) Movement in options during the Financial Year.	

For and on behalf of Board of Directors

**Nazara Technologies Limited**

**Vikash Mittersain**

Chairman & Managing Director

DIN: 00156740

**Nitish Mittersain**

Joint Managing Director & CEO

DIN: 02347434

Place: Mumbai

Date: May 09, 2023