DISCLOSURE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

Sr. No.	Particulars	Details	
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.	Disclosed in Notes to Accounts – Note 38 [Employee Share Option Plan (ESOP)] to Standalone financial statements for the year ended 31st March 2026. (Disclosures are provided in accordance with Ind AS 102, Share based payment)	
(i)	Diluted EPS 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 standards as issued from time to time.	Diluted EPS for the year ended 31st March 2026, is disclosed in Note 32 (Earning per Share) of Standalone financial statements for the year ended 31st March 2026. Diluted earnings per share have been computed using weighted average number of shares and dilutive potential shares except where results would be antidilutive.	
B.	Details related to ESOP		
(i)	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS	Honasa Consumer Limited Employee Stock Option Plan 2018 **("ESOP 2018")** and Honasa Consumer Limited Employee Stock Option Plan 2021 **("ESOP 2021")**	
		ESOP 2018	**ESOP 2021**
	(a) Date of shareholders' approval	August 13, 2018	December 17, 2022
	(b) Total number of options approved under ESOP	12900000	
	(c) Vesting requirements	ESOP 2018: Four-year vesting term and vest at the rate of 25% in the first year and 6.25% each quarter from the first quarter of the second year and become fully exercisable, subject to employee being in the employm ent of the Company. ESOP 2021: Two-year vesting term and vest at the rate of 40% in the first year and 60% in second year and become fully exercisable, subject to employee being in the employment of the Company.	
	(d) Exercise price or pricing formula	ESOP 2018: ₹ 25,788, ₹ 54,512 and ₹ 263,566 per option. During the year ended March 31, 2023, the Company has issued bonus shares, pursuant to bonus issue, exercise price has been reduced to ₹ 10 and ₹ 20.43 respectively. Exercise price for the new grant made after bonus issue is ₹ 262.41. ESOP 2021: ₹ 10 per option. ESOP 2018 (Milestone): ₹ 10 per option. ESOP 2018 (New): ₹ 10 per option.	
	(e) Maximum term of options granted	4 years	
	(f) Source of shares (primary, secondary or combination)	Primary	

Sr. No.	Particulars	Details	
	(g) Variation in terms of options	During the year, no amendment/ modification/ variation has been made in terms of options granted by the Company.	
(ii)	Method used to account for ESOP - Intrinsic or fair value.	The Stock option plans of the Company is classified as equity settled transaction based on the constructive obligation for settlement of option in equity. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using a black Scholes model in accordance with Ind AS 102. That cost is recognised, together with a corresponding increase in share based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.	
(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 recognised 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.	NA	
(iv)	Option movement during the year (For each ESOP):	**ESOP 2018**	**ESOP 2021**
	Number of options outstanding at the beginning of the period	14,93,976	20,977
	Number of options granted during the year	26,32,042	-
	Number of options forfeited / lapsed during the year	(2,98,708)	-
	Number of options vested during the year	3,56,983	-
	Number of options exercised during the year	(1,81,710)	(4,474)
	Number of shares arising as a result of exercise of options	1,81,710	4,474
	Money realised by exercise of options (INR), if scheme is implemented directly by the company	39,06,429	44,740
	Loan repaid by the Trust during the year from exercise price received	NA	NA
	Number of options outstanding at the end of the year	36,53,663	16,503
	Number of options exercisable at the end of the year	6,31,213	16,503

Sr. No.	Particulars	Details				
(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.	NA				
(vi)	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –					
	(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	**S. No.**	**Name**	**Designation**	**No of stock options granted**	**Exercise price per option**
		1	Ramanpreet Singh Sohi	CFO	6,25,000	10
		2	Yatish Bhargava	CBO	3,72,350	10
		3	Avinash Dhagat	CSCO	1,52,000	10
		4	Karan Bajwa	CHRO	1,52,000	10
	(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	**S. No.**	**Name**	**Designation**	**No of stock options granted**	**Exercise price per option**
		1	Nilesh Kotalwar	Senior Vice President	1,52,000	10
		2	Vipul Maheshwari	Executive Vice President	1,52,000	10
		3	Mohit Srivastava	Executive Vice President	1,52,000	10
		4	Nishchay Bahl	Senior Vice President	1,52,000	10
	(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.	NA				
(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;	**Weighted average values of:**				
				ESOP 2018	**ESOP 2021**	
		Share price		236.04- 310.05	NA	
		Exercise price		10	NA	
		Expected volatility		45%	NA	
		Expected option life		7	NA	
		Expected dividends		0%	NA	
		Risk free interest rate		5.93%-6.45%	NA	

Sr. No.	Particulars	Details	
	(b) the method used and the assumptions made to incorporate the effects of expected early exercise;	The Company has estimated fair value of options using Black Scholes method.	
	(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	It has been determined based on the observed historical volatility of a few listed peers' companies in similar sector and the Company's actual share price movement. Hence, we have considered the volatility in share price of the Company itself over time as well as general market volatility as the Company is recently listed	
	(d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.	Not Applicable	
(vii)	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.	**ESOP 2018** 3,32,101	**ESOP 2021** 16,503