

07th May 2026

**The Board of Directors
Bajel Projects Limited.**

Dear Sirs,

Sub: Report on Fair valuation and Amortization on ESOPs

We are pleased to submit our report on Amortization of Compensation Cost of options granted by Bajel Projects Limited

Please do not hesitate to get in touch with us should you require any further clarification on the same.

Sincerely yours,

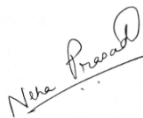


Neha Prasad
Authorised Signatory

Report on

Amortization of Compensation Cost and Disclosures
At

Bajel Projects Limited



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About the Report

Background:

Bajel Projects Limited (“the Company”) has granted Employee Stock Options (“ESOPs”/ “Options”) to its employees. The scope of this report is to calculate the fair value of the relevant Options granted by the Company, the compensation cost involved and Disclosure as per SEBI regulations for the year ended March 31, 2026.

Accounting impact as per SEBI Regulations

- 1) IND AS 102 also states that the fair value of Options should be estimated using an option-pricing model (Black Scholes or other option pricing model) that takes into account as of the grant date the exercise price and the expected life of the option, the current price in the market of the underlying stock and its expected volatility, expected dividends on the stock, and risk-free interest rate for the expected term of the option. However, historically for the purpose of reporting the Company is following Black Scholes model for determining the fair value of the options.

The fair value of an option estimated on the grant date shall not be subsequently adjusted for changes in the price of the underlying stock or its volatility, the life of the option, dividends on the stock, or the risk-free interest rate.

- 2) IND AS 102 requires Companies to follow vest wise accounting. It means that services would be received over the vesting period; hence, the cost has been amortized over the vesting period.
- 3) Unvested Options have been reversed from profit and loss account and Vested Options from general reserve.

Assumptions for computation of compensation cost -

1. We have relied on the information provided by the Company for the purpose of calculating for cost under IND AS 102, including number of options granted, cancellations and expirations.
2. In cases where employees retire and vesting continues as per the grant conditions, the charge for such vests is considered over a shorter period of the grant date to the date of retirement.

The total fair value compensation cost for the year ended March 31, 2026, is ₹ 23,77,651.31.

5. Disclosures as per SEBI Regulations

SEBI Regulations provides that the ESOP details shall be disclosed either in the Director's Report or in the annexure to the Director's Report.

Sr. No.	Particulars	Special Purpose ESOP Scheme 2023
I. Details of the ESOS		
1	Date of Shareholder's Approval	As per scheme of arrangement between Bajaj Electricals Limited and Bajel Projects Limited and their respective shareholders
2	Total Number of ESOPs approved	12,57,850
3	Vesting Requirements	ESOPs granted under Special Purpose ESOP Scheme 2023 would Vest after One (1) year but not later than Five (5) years from the Grant Date of such EESOPs.
4	The Pricing Formula	AT Fair Market Value
5	Maximum term of ESOPs granted (years)	5 Years
6	Method of Settlement	Equity Shares
7	Source of shares	Primary Allotment
8	Variation in terms of Scheme	No Variation

II. Option Movement during the year ended Mar 2026

Sr. No	Particulars	No. of ESOPs	Wt. avg exercise Price*
1	No. of ESOPs Outstanding at the beginning of the year	494,118	132.37
2	ESOPs Granted during the period	0	NA
3	ESOPs Forfeited / Surrendered during the year	65,268	139.08
4	ESOPs Lapsed during the year	3,000	81.12
5	ESOPs Exercised during the year	94,250	112.33
6	Number of ESOPs Outstanding at the end of the year	331,600	137.20
7	Number of ESOPs exercisable at the end of the year	236,600	130.55

* As per Clause 8.1 of the Scheme, The EESOP Price per unit of EESOP shall be equal to the Market Price as on Grant Date of such EESOPs. Appreciation will be calculated as the excess of Market Price of the Share of the Company on the date of Exercise of EESOPs over the EESOP Price. However, the amount recovered from the employees is only ₹ 1.

III. Weighted Average remaining contractual life

No. of ESOPs Outstanding	Weighted average contractual life (years) as on 31 March 2026
3,31,600	2.26

IV	Weighted average Fair Value of ESOPs granted during the year ended March 2026 whose	
(a)	Exercise price equals market price	NA
(b)	Exercise price is greater than market price	NA
(c)	Exercise price is less than market price	NA

V	The weighted average market price of ESOPs exercised during the year ended March 2026	201.45
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VI	Employee-wise details of ESOPs granted during the year ended March 2026 to:	
(i)	Senior managerial personnel	
	Name of employee	No. of ESOPs granted
	NA	Nil
(ii)	Employees who were granted, during any one year, ESOPs amounting to 5% or more of the ESOPs granted during the year	
	Name of employee	No. of ESOPs granted
	NA	Nil
(iii)	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.	
	Name of employee	No. of ESOPs granted
	NA	Nil

VII	Method and Assumptions used to estimate the fair value of ESOPs granted during the year ended March 2026	
	The fair value has been calculated using the Black Scholes Option Pricing model	
	The Assumptions used in the model are as follows:	
	Variables	Weighted Average
	1. Risk Free Interest Rate	NA
	2. Expected Life(in years)	NA
	3. Expected Volatility	NA
	4. Dividend Yield	NA
	5. Exercise Price	NA
	6. Price of the underlying share in the market at the time of the option grant. (Rs.)	NA

VIII	Effect of share-based payment transactions on the entity's Profit or Loss for the period:	
	Particulars	31-Mar-26
1	Employee Option plan expense	23,77,651.31
2	Total liability at the end of the period	1,34,48,208.05

ESOP Financials