

Date: February 24, 2026

To  
BSE Limited  
Listing Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street Fort, Mumbai -400001  
**Scrip Code: 544614**

To,  
National Stock Exchange of India Limited  
Listing Department  
Exchange Plaza , Bandra Kurla Complex  
Bandra (East), Mumbai -4000051  
**Symbol: CAPILLARY**

Dear Sir/Madam,

**Subject: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Clarification regarding exercise price**

Ref: Clarification on Postal Ballot Notice (the 'Notice') dated February 06, 2026

This is in reference to our letter dated February 10, 2026 relating the Postal Ballot Notice seeking approval of shareholders for the Special Resolution as set out in the said Notice.

We wish to inform you that subsequent to the issuance of the said Notice, the Company has received feedback from Proxy Advisor(s). Based on the feedback received from Proxy Advisor(s), we wish to give additional information to all the Shareholders to bring more clarity on the Special Resolutions No. 1 of the said Notice relating to ratification of extension of the benefits under Capillary Employees Stock Option Scheme-2021 ("ESOP2021/ scheme") to the employees of the Subsidiary companies whether in India or overseas.

The note providing additional information for Special Resolutions No. 1 is enclosed herewith as Annexure A.

This intimation is also being made available on the website of the Company at <https://www.capillarytech.com/investors/shareholder-information/corporate-announcements/>

Kindly take the same on record.

Yours faithfully,  
For Capillary Technologies India Limited

Gireddy Bhargavi Reddy  
Company Secretary and Compliance Officer  
Membership No. A17091  
Place: Bengaluru

**Capillary Technologies India Limited**

CIN- L72200KA2012PLC063060  
Regd. Office - 360, bearing PID No: 101, 360, 15th Cross Rd, Sector 4,  
HSR Layout, Bengaluru, Karnataka 560102  
Email: secretarial@capillarytech.com  
Website: [www.capillarytech.com](http://www.capillarytech.com)  
Tel: 080-41225179



## Annexure A

### **RESOLUTIONS NO. 1: RATIFICATION OF EXTENSION OF THE BENEFITS UNDER CAPILLARY EMPLOYEES STOCK OPTION SCHEME-2021 ("ESOP 2021/ SCHEME") TO THE EMPLOYEES OF THE SUBSIDIARY COMPANIES WHETHER IN INDIA OR OVERSEAS.**

#### **PROXY ADVISOR(S) FEEDBACK**

There is lack of clarity about the exercise price, which can range between the face value and market price, and may be at a significant discount to the prevailing market price.

#### **COMPANY RESPONSE**

In this regard, the Company hereby clarifies that all grants under ESOP 2021 shall be made at an exercise price as determined by the Nomination and Remuneration Committee ("NRC"), subject to a maximum discount of 20% to the Volume Weighted Average Price ("VWAP") of the Company's equity shares for the 90 trading days immediately preceding the working day prior to the grant date. The VWAP shall be computed with reference to the stock exchange having the highest trading volume in respect of the Company's equity shares.

Accordingly, the pricing mechanism is objective, market-linked and transparent, and does not permit arbitrary pricing. The structure ensures continued alignment of employee incentives with long-term shareholder value creation.

Further, ESOP 2021 is implemented strictly in accordance with the Companies Act, 2013 and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, and is administered under the supervision of the Nomination and Remuneration Committee. Extending benefits to subsidiary employees is a standard practice for listed groups and is aimed at retention of critical talent and value creation at a consolidated level.

In line with ESOP 2021, the Company in its explanatory statement to the Notice of Postal Ballot dated February 6, 2026, stated that the *"Exercise Price for the options granted before listing shall be as per the grant letters issued to employees, Exercise Price for the Options Granted post coming in to effect of this scheme shall be a price which should not be less than face value i.e. INR. 2/- but not more than the volume weighted average price of last 90 days immediately preceding working day of the date of grant of Options, on the stock exchange, having the highest trading volume."*

#### **Capillary Technologies India Limited**

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