

**Disclosures with respect to Employees' Stock Option Scheme, 2010 of the Company pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 for the financial year ended 31<sup>st</sup> March, 2019**

**A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time:**

Members may refer to the audited financial statement prepared as per Indian Accounting Standard (IND-AS) for the year 2018-19.

**B. 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 ICAI or any other relevant accounting standards as prescribed from time to time:**

Members may refer to the audited financial statement prepared as per Indian Accounting Standard (IND-AS) for the year 2018-19.

**C. Details related to Employees' Stock Option Scheme, 2010 ("ESOP-2010")**

The Company has introduced the Employees Stock Options Scheme (ESOP) in the year 2010, which was approved by the Shareholders in their meeting held on 30<sup>th</sup> October, 2010 which is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and SEBI (ESOP & ESPS) Guidelines, 1999, as the case may be.

As per the terms of ESOP 2010 Scheme, the said scheme shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the options available for issuance under the ESOP 2010 have been issued and exercised/lapsed. The Company does not wish to further utilize options available under Pool Account, hence, the Board of Directors of the Company at its meeting held on 14<sup>th</sup> November, 2018, cancelled the said Scheme as all the options granted and vested under Grant I has been exercised/ lapsed.

There were no material changes in the Scheme during the period from 1<sup>st</sup> April, 2018 till the expiry date of the said 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 –
- (a) Date of shareholders' approval: 30<sup>th</sup> October, 2010
  - (b) Total number of options approved under ESOS: 15,00,000 were approved by the Shareholders at their meeting held on 30.10.2010 and the Nomination and Remuneration Committee granted 9,98,815 Options at their meeting held on 01.11.2010.

- (c) Vesting requirements: Under the scheme 998815 Options have been granted which shall vest to the employees over a period of five years and 20% each of the above were vested to the employees as on 01.11.2011, 01.11.2012, 01.11.2013, 01.11.2014 and 01.11.2015
- (d) Exercise price or pricing formula: Discount upto maximum of 30% to the Market Price i.e. Rs. 244/-. Hence, the Exercise Price per option stands at Rs. 171/-. Post bonus exercise price per option stands at Rs. 114/-.
- (e) Maximum term of options granted: To be vested not more than 7 years and Vested Options to be Exercised within a period of 3 years
- (f) Source of shares (primary, secondary or combination): Primary
- (g) Variation in terms of options: None
- (ii) Method used to account for ESOS - 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 the year (For each ESOS):

Particulars	Details
Number of options outstanding at the beginning of the period 01.04.2018	44821
Number of options granted during the year	0
Number of options <del>forfeited</del> / lapsed during the year	44821
Number of options vested during the year	0
Number of options exercised during the year	0
Number of shares arising as a result of exercise of options	0
Money realized by exercise of options (INR), if scheme is implemented directly by the company	0
Loan repaid by the Trust during the year from exercise price received	N.A.
Number of options outstanding at the end of the year 31.03.2019	0
Number of options exercisable at the end of the year 31.03.2019	0

*\*Note: During the year under review, all the options granted and vested under Grant-I to the employees was lapsed due to expiry of last (5<sup>th</sup>) vesting period on 1<sup>st</sup> November, 2018. Further, the Board of Directors at its meeting held on 14<sup>th</sup> November, 2018 noted the same and closed the scheme as per the terms of said scheme.*

- (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.
- (a) Weighted average exercise price is less than market price: Rs. 171/- (post bonus Rs. 114/-)
- (b) Weighted average fair value of options is less than market price: Rs. 141.54/- (post bonus Rs. 94.36/-)

- (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; Not Applicable as no options granted during the year.
  - (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; Not Applicable and
  - (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: Not Applicable.
  
- (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; Not Applicable
  - (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 Not Applicable; 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 Not Applicable.