

Disclosure with respect to Employee Stock Option Scheme of the Company pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as on March 31, 2019

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

Relevant disclosures are given in Note No. 43 of the financial statement.

B. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with 'Ind AS 33 - Earnings Per Share' issued by ICAI.

₹ 1.38

C. Details related to Employee Stock Option Scheme (ESOS)

i. The description including terms and conditions of ESOS is summarised as under:

Sr. No.	Particulars	Details
1.	Date of shareholders' approval	July 24, 2017 December 11, 2017
2.	Total number of options approved under ESOS	2,42,50,000
3.	Vesting requirements	The vesting period of options granted shall vest in not earlier than 1 (one) year and not more than 5 (five) years from the date of grant of such options. The exact proportion in which and the exact period over which the options would vest would be determined by the Board, subject to the minimum vesting period of one year from the date of grant of options.
4.	Exercise price or pricing formula	Exercise price of each option will be the fair market value of each share on the date of the option grant as approved by the Nomination and Remuneration Committee which shall be the market price of the shares of the Company on the stock exchange where the shares of the Company are listed, immediately prior to the date of the meeting of the Committee wherein the grant are made or such other price as the Board / Committee may determine on the date(s) of grant of option(s) in accordance with the applicable laws.
5.	Maximum term of options granted	The exercise period in respect of an option shall commence after vesting of such option and shall expire subject to a maximum period of 5 (five) years from date of vesting or 10 (ten) years from date of grant, whichever is later.
6.	Source of shares (primary, secondary or combination)	Primary
7.	Variation in terms of options	The equity shares of the Company got listed with BSE Limited and the National Stock Exchange of India Limited ("Stock Exchanges") with effect from September 22, 2017 and accordingly, number of Options and Exercise Price of Options under ESOS granted on July 24, 2017 had been adjusted.

ii. Method used to account for ESOS: Fair Value

iii. The difference between the employee compensation cost computed using the intrinsic value of options and the employee compensation cost that shall have been recognised if it had used the fair value of the options. The impact of this difference on profits and on EPS of the Company:

Under the previous GAAP, the Company has used the intrinsic value method to account for the compensation cost of stock to the employees. Under Ind AS, the Company is using Fair Value Method for accounting of ESOS and the difference in above figures is not applicable.

iv. Option movement during the year:

Particulars	Details
Number of options outstanding at the beginning of the year	16,38,659
Number of options granted during the year	1,01,76,324
Number of options forfeited / lapsed / surrendered during the year	57,44,839
Number of options vested during the year	Nil
Number of options exercised during the year	Nil

Particulars	Details
Number of shares arising as a result of exercise of options	Nil
Money realised by exercise of options (INR), if scheme is implemented directly by the Company	Nil
Loan repaid by the Trust during the year from exercise price received	Not Applicable
Number of options outstanding at the end of the year	60,70,144
Number of options exercisable at the end of the year	Nil

- v. Weighted-average exercise prices and weighted-average fair values of options for options whose exercise price either equals or exceeds or is less than the market price of the stock and description of the method and significant assumptions used during the year to estimate the fair value of options:

Exercise Price of options is equal to the Market Price.

Date of Grant	April 20, 2018*	August 7, 2018*	October 5, 2018
Weighted Average Fair Value (in ₹)	32.06	30.67	26.45
Weighted Average Exercise Price (in ₹)	61	60	51

*surrendered

- vi. Employee wise details of options granted during the year:

Particulars	Name of the employee	Designation	Number of options*	Exercise Price (in ₹)
Senior Managerial Personnel	Mr. Ravindra Sudhalkar	Executive Director & CEO	16,23,864	51
	Mr. Pinkesh R. Shah	Chief Financial Officer	87,508	51
	Ms. Parul Jain	Company Secretary & Compliance Officer	93,676	51
Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Mr. Prashant Utreja	Chief Human Resources Officer	5,08,900	51
	Mr. Sangram Baviskar	Chief Business Officer	3,70,064	51
	Mr. Amit Arora	Business Head	3,20,696	51
	Mr. Rahul Sood	Head Collections	3,15,524	51
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	None			

*excluding surrendered

- vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:

Sr. No.	Particulars	Details		
		April 20, 2018*	August 7, 2018*	October 5, 2018
(a)	the weighted average value:			
	Exercise Price	61	60	51
	Risk Free Interest Rate	7.72% - 7.9%	7.93% - 8.02%	8.09% - 8.20%
	Expected Dividend Yield	1.64%	1.67%	1.97%
	Expected Life (years)	6.01 to 9.01	6.01 to 9.01	6.01 to 9.01
	Expected Volatility	46.90%	44.56%	48.84%
	Any other input to the model	Nil	Nil	Nil
(b)	the method used and the assumptions made to incorporate the effects of expected early exercise:	Black Scholes Method Please refer Note No. 43 of the Annual Report of the Company for the year 2018-19.		

Sr. No.	Particulars	Details		
	Date of Grant	April 20, 2018*	August 7, 2018*	October 5, 2018
(c)	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Equity Shares of the Company have been listed on the Stock Exchanges from September 22, 2017. Expected volatility has been determined based on the volatility of stock price on NSE from the date of listing till the date of Grant.		
(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		

*surrendered

viii. 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.

Not Applicable.