

**Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021**

**A) DISCLOSURE IN TERMS OF THE ‘GUIDANCE NOTE ON ACCOUNTING FOR EMPLOYEE SHARE-BASED PAYMENTS’ ISSUED BY ICAI:**

**Employee share based payment:**

For details kindly refer to note no. 31 to Standalone Financial Statements mentioned in the Annual Report for the FY 2021-22.

**B) DILUTED EPS ON ISSUE OF SHARES AS ON MARCH 31, 2022:**

Kindly refer note no 29 of Standalone and note no 28 of Consolidated Financial Statements mentioned in the Annual Report for FY 2021-22.

**(i) 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:**

The Company has Employee Stock Option Scheme 2014 (‘ESOP Scheme 2014’).

Sr. No.	Particulars	Details
a)	Date of shareholders’ approval	November 20, 2014 – Approval of ESOP Scheme 2014.  September 20, 2021 – Extending the ESOP Scheme 2014 to the employees of subsidiary companies
b)	Total number of options approved under ESOS	11,50,000 options each convertible into one equity share of the Company.  <b>No. of options granted:</b>  <b>Grant-1</b> On January 15, 2021, the Compensation Committee of the Board of Directors of the Company granted 10,93,700 Options to the eligible employees of the Company.  <b>Grant-2</b> On January 24, 2022, the Compensation Committee of the Board of Directors of the Company granted 23,700 Options to the eligible employees of the Company.

c)	Vesting requirements	<p><b><u>For options granted on January 15, 2021:</u></b></p> <p>50% of options granted shall vest on expiry of one year from date of grant (i.e. vesting on January 15, 2022) and the balance 50% of options shall vest on expiry of 2 years from date of grant (i.e. vesting on January 15, 2023)</p> <p><b><u>For options granted on January 24, 2022:</u></b></p> <p>50% of options granted shall vest on expiry of one year from date of grant (i.e. vesting on January 24, 2023) and the balance 50% of options shall vest on expiry of 2 years from date of grant (i.e. vesting on January 23, 2024)</p>
d)	Exercise price or pricing formula	<p><b><u>For options granted on January 15, 2021 and on January 24, 2022:</u></b></p> <p>Rs.50/- per option</p>
e)	Maximum term of options granted	Options granted under ESOP Scheme 2014 would vest not earlier than one year and not later than six years from the date of grant of such options.
f)	Source of shares (primary, secondary or combination)	Primary
g)	Variation in terms of options	During the year under review, no variations made under the ESOP Scheme 2014.

(ii) **Method used to account for ESOP – Intrinsic or fair value:**

The Company measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the liability incurred on the grant date.

(iii) **Difference between the employee compensation cost computed by using intrinsic value method and the employee compensation cost that shall have been recognised if it had used the fair value of the options:**

Not Applicable

(iv) **Option movement during the year:**

The details of activity under the ESOP Scheme 2014 are summarised below:

Particulars	March 31, 2022		March 31, 2021	
	Number of Options	Weighted Average Exercise Price (In Rs.)	Number of Options	Weighted Average Exercise Price (In Rs.)
Number of options outstanding at the beginning of the year * (refer note below)	10,90,100	50	814,819	400
Number of options granted during the year	27,300	50	1,093,700	50
Number of options forfeited / lapsed during the year out of opening	47,775	50	(814,819)	400
Number of options forfeited / lapsed during the year out of options granted during the year	Nil	--	(3,600)	50
Number of options vested during the year	5,23,212	50	--	--
Number of options exercised during the year	2,90,409	50	--	--
Number of shares arising as a result of exercise of options	2,90,409	50	--	--
Money realised by exercise of options (INR), if scheme is implemented directly by the Company	1,45,20,450	--	--	--
Loan repaid by the Trust during the year from exercise price received	--	--	--	--
Number of options outstanding at the end of the year	7,82,816	50	1,090,100	50
Number of options exercisable at the end of the year	7,55,516	50	1,090,100	50
Weighted average remaining contractual life (in months)	28	--	40	--

- (v) **Weighted – average exercise prices and weighted – average fair values of options (to be disclosed for options whose exercise price either equals or exceeds or is less than the market price of the stock):**

Weighted average exercise price (in Rs.)	Weighted – average fair values of options
Rs. 50	Rs. 97.42

- (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;  
Status of Options granted to the Senior Managerial Personnel as on March 31, 2022 is as follows:**

Sr. No.	Name of the Employee	Designation	No. of active options as on March 31, 2022
1.	Shirish Deshpande	CEO - Exhibition	15,000

- (b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year; 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

There are no employee of the Company to whom the Company has granted options amounting to 5% or more in any one year or equal to or exceeding 1% of the issued share capital (excluding outstanding warrants and conversions) of the Company.

- (vii) **A description of the method and significant assumptions used during the year to estimate the fair value of options at the time of grant including the following information:**

- (a) **The Company uses fair valuation method using following assumptions:**

Particulars	Vest 1	Vest 2
Expected volatility	56.84%	49.75%
Risk-free interest rate	4.24%	4.67%
Fair Market Value	88.15	88.15
Exercise price (Rupees)	50.00	50.00
Dividend yield	4.86%	4.86%
Expected life of options granted in years	2.00	3.00

- (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; and**

The calculation of expected volatility is based on historical stock prices. Volatility was calculated using standard deviation of daily change in stock price.

- (d) whether and how other features of the option grant were incorporated into the measurement of fair value, such as a market condition.**

The expected life of share option is based on historical data. Future market conditions are not used for measurement of fair value.

\*\*\*\*\*