

Directors' Report

ANNEXURE - 2

ESOP Disclosures

DISCLOSURES IN COMPLIANCE WITH REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AND RULE 12 OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 ARE SET OUT BELOW:

Sr. No.	Description	ESOP 2002		ESOP 2007		ESOP 2008		ESOP 2015	
1	Name of the Scheme	ESOP 2002		ESOP 2007		ESOP 2008		ESOP 2015	
2	Total No. of Options / RSU's approved under the Plan	11,049,145 options		13,042,992 options		5,720,839 options/ RSU's		10,765,025 options/ RSU's	
3	Shareholders Approval Date	3rd June, 2002		11th September, 2007		30th June, 2008		7th May, 2015	
4	Maximum term of options granted	7 years		7 years		7 years		7 years	
5	Source of Shares	Primary		Primary		Primary		Primary	
6	Method of settlement	Equity Settled		Equity Settled		Equity Settled		Equity Settled	
7	Vesting Requirements	Options : Vesting 25% on each successive anniversary of the grant date or as per the discretion of the Committee except in case of grants to directors vesting is 50% on each successive anniversary of the grant date or as per the discretion of the Committee.		Options : Vesting 25% on each successive anniversary of the grant date or as per the discretion of the Committee except in case of grants to directors, vesting is 50% on each successive anniversary of grant date and in case of special performance linked 1% stock options vesting is 50% on each successive anniversary on achieving specified performance targets. Performance Options: Vesting 25% on each successive anniversary of the grant date on achieving specified performance targets or as per the discretion of the committee.		Options : Vesting 25% on each successive anniversary of the grant date or as per the discretion of the Committee. Performance Options/ RSU's: Vesting 25% on each successive anniversary of the grant date on achieving specified performance targets or as per the discretion of the Committee.		Performance Options / RSU's: The options / RSU's shall vest so long as an employee continues to be in the employment of the Company or the Subsidiary Company as the case may be. The Nomination and Remuneration Committee may, at its discretion, lay down certain performance metrics on the achievement / non-achievement of which such Options / RSU's would vest, subject to the minimum vesting period of 1 year & maximum of 4 years from the date of grant of options / RSU's.	
8	Number and weighted average exercise prices of stock options for each of the following groups of options -	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
	- Outstanding at the beginning of the year	23,000	12.45	839,575	48.69	4,124,814	2.00	4,857,124	2.00
	- Granted during the year	-	-	-	-	-	-	1,048,312	2.00
	- Forfeited / lapsed during the year	-	-	77,500	18.97	422,220	2.00	663,400	2.00
	- Exercised during the year	23,000	12.45	334,325	37.55	69,843	2.00	38,130	2.00
	- Outstanding at the end of the year and	-	-	427,750	62.79	3,632,751	2.00	5,203,906	2.00
	- Exercisable (vested) at the end of the year	-	-	427,750	62.79	271,836	2.00	548,099	2.00
	Vested during the year	-	-	-	-	271,836	-	548,099	-
	Total number of shares arising as a result of exercise	23,000	-	334,325	-	69,843	-	38,130	-
	Money realised by exercise of options (₹ in Mn)	0.29	-	12.55	-	0.14	-	0.08	-

Sr. No.	Description				
1	Name of the Scheme	ESOP 2002	ESOP 2007	ESOP 2008	ESOP 2015
9	Employee wise details of options/ RSU's granted to -	Nil	Nil	Nil	Mr. R Srikrishna, CEO- 238,592 at exercise price of ₹ 2/-
	- Senior managerial personnel;				
	- Employees holding 5% or more of the total number of options / RSU's granted during the year	Nil	Nil	Nil	Mr. R Srikrishna, CEO- 238,592 at exercise price of ₹ 2/- Mr. Vijay Iyer - Chief Sales Officer, Americas and Global Head - Travel and Transportation 295,120 at exercise price of ₹ 2/- Mr. Girish Ravindran - Sr. Vice President, North America Overlay Sales - IMS 124,000 at exercise price of ₹ 2/- Mr. Sidharh Dhar - Vice President, Overlay Sales - IMS - EU 248,000 at exercise price of ₹ 2/-
	- Identified employees who were granted options / RSU's, during anyone year equal to or exceeding 1% of the issued capital (excluding outstanding options / RSU's of the Company at the time of grant.	Nil	Nil	Nil	Nil
10	For stock options / RSU's outstanding at the end of the year, the period, the range of exercise prices and weighted average remaining contractual life (vesting period + exercise period). If the range of the exercise prices is wide, the outstanding options/ RSU's should be divided into ranges that are meaningful for assessing the number and timing of additional shares that may be issued and cash that may be received upon exercise of those options/ RSU's	Details for ESOP 2007, 2008 & 2015 Scheme:			
		Price range ₹	Nos.	Weighted average remaining life (months)	
		2	8,836,657	47	
		40.28	57,000	7	
		59.08 - 79.85	370,750	15	
		Total	9,264,407		
11	Method used for accounting of the employee share-based payment plans	The Company has followed the intrinsic value based method of accounting for grants made before April 1, 2015. For the grants made after April 1, 2015, the Company has recognised compensation cost using fair value method of accounting. The Company has recognised stock option compensation cost of ₹ 246.74 million in the statement of profit and loss.			
12	Diluted EPS in accordance with AS 20	Consolidated - ₹ 13.70 Standalone - ₹ 11.70			
13	For stock options/RSU's granted during the year, the weighted average fair value of those options at the grant date and information on how the fair value was measured including the following -	₹ 189.47/-			
	- Option pricing model used	Black Scholes Option Pricing Model			
	- Inputs to that model including				
	- weighted average share price (₹)	213.63			
	- exercise price (₹)	2.00			
	- expected volatility	37.03% - 39.39%			
	- option life (comprising vesting period + exercise period)	1.32 - 3.85 years			
	- expected dividends	3.73%- 4.14%			
	- risk-free interest rate	6.41% - 7.42%			
	- any other inputs to the model including the method used and the assumptions made to incorporate the effects of expected early exercise.	NA			

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1	Name of the Scheme	ESOP 2002	ESOP 2007	ESOP 2008	ESOP 2015
	- Determination of expected volatility, including explanation to the extent expected volatility was based on historical volatility.	Based on historical volatility			
	- Any other features of the option grant were incorporated into the measurement of the fair value, such as market conditions	NA			
14	For other instruments granted during the year (i.e., other than stock options) - Number and weighted average fair value of those instruments at the grant date - Fair Value determination in case (a) fair value not measured on the basis of an observable market price (b) whether and how expected dividends were incorporated (c) whether and how any other features were incorporated	No other instruments were granted during the year			
15	For employee share-based payment plans that were modified / varied during the period - - Explanation of those modifications/ variations - Incremental fair value granted (as a result of those modifications/ variations) - Information on how those incremental fair value granted was measured, consistently with the requirements set out in point 7 of SEBI (Share based employee benefits) Regulations, 2014.	No modifications were made to the schemes during the year			