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DISCLOSURES WITH RESPECT TO EMPLOYEES STOCK OPTION SCHEMES OF THE COMPANY PURSUANT TO REGULATION 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS ON MARCH 31, 2019

During the year, there were no material changes in the Employee Stock Option Schemes ('ESOP Schemes'). The ESOP Schemes are in compliance with the applicable Act and the Regulations, if any.

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.

Shareholders may refer to the audited financial statement prepared for FY19 which forms part of the Annual Report 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.

Diluted EPS before and after extraordinary items for the year ended March 31, 2019 is Rs.84.11.

C. Details related to ESOS

- i. A description of each ESOP Schemes that existed at any time during the year, including the general terms and conditions of each ESOP Schemes, including –

Particulars	Employee Stock Ownership Scheme – 2000		Employee Stock Ownership Scheme 2006 U.S. Stock Option Sub-Plan	Employee Stock Option Scheme – 2015
	ESOS-2000	ESOS-2000A	U.S. Sub-Plan 2006	ESOP-2015
(a) Date of shareholders' approval	March 13, 2000 & December 16, 2005		December 7, 2006	September 14, 2015 & September 8, 2016
(b) Total number of options approved under ESOS	15,562,500		2,286,245	8,062,500
(c) Vesting requirements	Vesting at the rate of 25 % each year		<i>Refer Note 1 below</i>	Vesting at the rate of 20 % each year
(d) Exercise price or pricing formula	Rs.5	Rs.2	USD 2.4	Re.1
(e) Maximum term of options granted	5 years	5 years	5 years <i>(Refer Note 2 below)</i>	7 years
(f) Source of shares (primary, secondary or combination)	Primary	Primary	Primary	Primary
(g) Variation in terms of options	No variations have been made in terms of options during the financial year 2018-19			

Note:

- All options granted and outstanding have been vested.
- The maximum term of options granted has been subjected to the Employee Stock Ownership Scheme – 2000 (Parent Plan).

- ii. Method used to account for ESOS (Intrinsic or fair value): Fair Value

Larsen & Toubro Infotech Ltd.

Branch office Technology Tower 1, Gate No. 5, Saki Vihar Road, Powai, Mumbai - 400072, India

T: +91 22 6776 6776 | F +91 22 2858 1130

Registered office L&T House, Ballard Estate, Mumbai 400 001, India

www.Lntinfotech.com | E-mail: info@Lntinfotech.com | CIN: L72900MH1996PLC104693



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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	Employee Stock Ownership Scheme – 2000		Employee Stock Ownership Scheme 2006 U.S. Stock Option Sub-Plan	Employee Stock Option Scheme – 2015
	ESOS-2000	ESOS-2000A	U.S. Sub-Plan 2006	ESOP-2015
Number of options outstanding at the beginning of the period i.e. April 1, 2018	21,345	685,302	39,000	2,850,140
Number of options granted during the year	Nil	Nil	Nil	359,400*
Number of options forfeited/ lapsed during the year	375	12,021	Nil	212,080*
Number of options vested during the year	Nil	225,429	Nil	671,160
Number of options exercised during the year	9,130	615,091	6,000	880,600
Number of shares arising as a result of exercise of options	9,130	615,091	6,000	880,600
Money realized by exercise of options, if scheme is implemented directly by the Company (INR)	45,650	1,230,182	1,054,860	880,600
Loan repaid by the Trust during the year from exercise price received	NA	NA	NA	N.A.
Number of options outstanding at the end of the year	11,840	58,190	33,000	2,116,860
Number of options exercisable at the end of the year	11,840	58,190	33,000	102,360

Note: * This does not include 33,100 stock options which were cancelled due to non-acceptance of the grants by the employees.

v. Weighted-average exercise price is Re.1 and weighted-average fair value of options granted during the year is Rs. 1,650.48.

vi. Employee wise details of options granted to –

a. Senior Managerial Personnel:

S. N.	Name of the Senior Managerial Personnel	Designation	Number of Options granted during the year
1	Nachiket Deshpande	Chief Operating Officer & Whole-time Director	60,000
2	Manoj Shikarkhane	Executive - BU Delivery	9,000
3	Soumendra Mohanty	EVP & Head Analytics	9,000
4	Ramesh Chandrasekaran	Delivery Head - Nordics	1,500
5	Kamal Shah	AVP & Head Chief Information Officer Business Operations	4,000



S. N.	Name of the Senior Managerial Personnel	Designation	Number of Options granted during the year
6	Kshitij Ashtekar	Vice President & Head Digital Practice	4,000
7	Satyakanta Samal	Senior Vice President, GSO	27,500
8	Ajay Tripathi	Chief Human Resources Officer	31,800
9	Duraivel A Gopal	Practice Head – IMS	2,700
10	Ravi Pichan	VP & Head - Delivery, Africa	1,900
11	Prasenjit Saha	Executive Vice President, SEC	10,000
12	Tara Murthy	Vice President, GSO	20,600
13	Harsh Naidu	Chief Business Officer, GSO	15,000
14	Anil Vazirani	Chief Business Officer, GSO	12,000

- b. Any other employees who were granted options amounting to 5% or more of options granted during the year is given below:

Name of Employee	Designation	Number of Options granted during the year
Raghavendra Parvataraju	Vice President, GSO	25,000

- 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. Nil
- 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:

S. N.	Particulars	2018-19
1	Weighted average risk free interest rate	7.49%
2	Weighted average expected Options life	3 years
3	Weighted average expected volatility	17.72%
4	Weighted average expected dividends per share of face value of Re. 1	Rs. 108.91
5	Weighted average share price	Rs. 1650.48
6	Weighted average exercise price	Re. 1

- (b) Method used and the assumptions made to incorporate the effects of expected early exercise: Black-Scholes Options Pricing Model. The assumptions are stated in the above table.
- (c) How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;
The expected volatility has been calculated entirely based on historic volatility IT Index.
- (d) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition – Yes. The features are mentioned below:
- Weighted average risk free interest rate
 - Weighted average expected volatility
 - Weighted average share price