

**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, 2020**

During the year, there were no changes, material or otherwise in the Employee Stock Option Schemes ('ESOP Schemes'). The ESOP Schemes are in compliance with the applicable Act and the SEBI 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 FY20 which forms part of the Annual Report 2019-20.

**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 for the year ended March 31, 2020 is Rs.88.45.

**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 <i>(Refer note 3)</i>		5 years <i>(Refer Note 2 &amp; 3 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 2019-20			

Note:

1. All options granted and outstanding have been vested.
2. The maximum term of options granted has been subjected to the Employee Stock Ownership Scheme – 2000 (Parent Plan).
3. The last date of exercise under ESOS-2000, ESOS-2000A and U.S. Sub-Plan 2006 was September 27, 2019.

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

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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 FY20 (For each ESOP Scheme):**

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, 2019	11,840	58,190	33,000	2,116,860
Number of options granted during the year	Nil	Nil	Nil	63,660*
Number of options forfeited/ lapsed during the year	9,785	43,125	33,000	55,560
Number of options vested during the year	Nil	Nil	Nil	624,400
Number of options exercised during the year	2,055	15,065	Nil	599,565
Number of shares arising as a result of exercise of options	2,055	15,065	Nil	599,565
Money realized by exercise of options, if scheme is implemented directly by the Company (INR)	10,275	30,130	Nil	599,565
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 i.e. March 31, 2020	Nil	Nil	Nil	1,525,395
Number of options exercisable at the end of the year i.e. March 31, 2020	Nil	Nil	Nil	127,195

**Note: \*Stock Options granted during the year**

S. N.	Date of grant	No. of options granted
1	July 18, 2019	35,360
2	October 17, 2019	11,050
3	January 15, 2020	17,250
	<b>TOTAL</b>	<b>63,660</b>

- v. Weighted-average exercise price is Re.1 and weighted-average fair value of options granted during the year is Rs. 1,540.66.
- vi. Employee wise details of options granted to –
- a. Senior Managerial Personnel: Nil

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

S. N.	Name of the Senior Managerial Personnel	Designation	Number of Options granted during the year
1	Brijesh Prabhakar	Head - Testing NWOW	5,000
2	Sachin Vyas	Head - Delivery DATA	25,360
3	Yogesh Kanhaiyalal Sikotara*	Resigned	5,000
4	Venkatachalam Balasubramanian	Vice President, GSO	4,390
5	Sachin Madhav Sethumadhavan	Vice President & Head, A3	6,660
6	Kamal Shah	VP & Head Chief Information Officer Business Operations	6,000
7	Vineet Yashawant Moroney	Head - Sap & Cloud Apps	5,000
8	Anshuman Shrivastava	Executive Vice President	6,250

Note: \* Has resigned from the Company, hence the stock options granted have lapsed.

- 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	2019-20
1	Weighted average risk free interest rate	6.18%
2	Weighted average expected Options life	3 years
3	Weighted average expected volatility	17.44%
4	Weighted average expected dividends per share of face value of Re. 1	Rs. 148.29
5	Weighted average share price	Rs. 1,541.55
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

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