

DISCLOSURES WITH RESPECT TO COMPLIANCE TO SECTION 62 OF THE COMPANIES ACT, 2013 READ WITH RULE 12 OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 AND REGULATION 14 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 READ WITH SEBI CIRCULAR DATED JUNE 16, 2015 ON ESOP DISCLOSURES AS ON MARCH 31, 2019

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:

Members may refer to the audited financial statement prepared as per Indian GAAP for the financial year 2018-19

B. Diluted EPS on issue of shares in accordance with “Accounting Standard 20 - Earnings Per Share” issued by ICAI:

Diluted EPS for the year ended March 31, 2019 is Rs. 0.39/-

C. Details related to CSL Employees Stock Option Scheme, 2017

The description including terms and a condition of ESOS is summarized as under:

Sr. No.	Particulars	Details
1.	Date of shareholders’ approval	9 th May, 2018
2.	Total number of options approved under ESOS	39,00,000
3.	Vesting requirements	<p>Options granted under the Scheme shall vest after 1 (one) year from the date of Grant of such Options, subject to the conditions mentioned below :</p> <p>i. the number of Options which would Vest under this Scheme shall be determined as follows:</p> <p>First Tranche Half of the Options Granted to an Employee shall vest in equal instalments over a period of 3 (three) years on the first, second and third anniversary of the Grant Date.</p> <p>Second Tranche If the Company’s ROA and AUM at the end of March 31, 2022 (first test year) or March 31, 2023 (second test year) achieves both the ROA and the AUM projections as set out at Annexure B of the ESOS 2017, then each of the respective Option Grantees would be eligible for vesting of the remaining half of the Options Granted.</p> <p>The Vesting of Options would be subject to continued employment of the Option Grantee with the Company and thus the Options would Vest on passage of time in the manner prescribed above. An Option Grantee would need to have a minimum continuous</p>

	(excluding Long Leave period) employment of at least 3 (three) years to be able to Exercise the options vested to the Option Grantee. Further, if an Option Grantee exits from the Company prior to completion of continuous (excluding Long Leave period) employment of atleast 3 (three) years, all Vested Options may be Exercised by such an Option Grantee, however such an Option Grantee will be liable to pay back any gains on such Options. The Vesting Period for Option Grantees on Long Leave would be determined by the Committee on a case to case basis.	
4.	Exercise price or pricing formula	The Exercise Price shall be determined by the Committee and shall not in any case be lower than Rs.130/- (Indian Rupees One Hundred and Thirty only) or the market price as defined under SEBI (Share Based Employee Benefits) Regulations, 2014.
5.	Maximum term of options granted	The options vested should be exercise within 3 years from the date of such respective vesting.
6.	Source of shares (primary, secondary or combination)	Primary / Fresh issue of shares
7.	Variation in terms of options	<p>The total number of options to be granted and grant of options exceeding 1% of the Issued share capital of the company was ratified by the shareholders through two separate resolutions in EGM dated September 18, 2018.</p> <p>Since the resolution passed by the shareholders through postal ballot on May 07, 2018 (results of which were declared on May 09, 2018) provided for 30,70,000 equity shares to be issued under ESOS 2017 and not the maximum permissible number of equity shares being 39,00,000 (as was originally envisaged and informed to the shareholders in the explanatory statement to the said resolution), the Company ratified the number of options from the shareholders.</p>
8.	Method used to account for ESOS - Intrinsic or fair value.	Fair Value
9.	Option movement during the year	NIL (The Options are yet to be vested)
10.	Number of options outstanding at the beginning of the period	NIL (The Options are yet to be vested)

11.	Number of options granted during the year	36,23,067
12.	Number of options forfeited / lapsed during the year	NIL
13.	Number of options vested during the year	NIL
14.	Number of options exercised during the year	NIL
15.	Number of shares arising as a result of exercise of options	NIL
16.	Money realized by exercise of options (INR), if scheme is implemented directly by the company; Loan repaid by the Trust during the year from exercise price received	NIL NIL
17.	Number of options outstanding at the end of the year	36,23,067
18.	Number of options exercisable at the end of the year	NIL
19.	Weighted average exercise price and weighted average fair value of Options granted during the year for Options whose exercise price either equals or exceeds or is less than the market price of the stock. Options whose exercise price is less than the market price: - Weighted average exercise price of options - Weighted average fair value of options	130.00 62.17
20.	Employee wise details	
	Senior Managerial Personnel	
	Name	Number of Options
	Abhijit Ghosh	7,24,615
	Anuj Pandey	2,76,923
	Manish Agarwal	2,64,615
	Sathiayan J	2,64,615
	Kalpesh Ojha	2,46,154
	Sandeep Kakar	1,84,615
	Employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	
	Name	Number of Options
	Abhijit Ghosh	7,24,615
	Anuj Pandey	2,76,923
	Manish Agarwal	2,64,615
	Sathiayan J	2,64,615
	Kalpesh Ojha	2,46,154
	Sandeep Kakar	1,84,615
	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:	

Name	Number of Options
Abhijit Ghosh	7,24,615
Anuj Pandey	2,76,923
Manish Agarwal	2,64,615
Sathiayan J	2,64,615
Kalpesh Ojha	2,46,154
Sandeep Kakar	1,84,615
Rajni Khurana	1,23,077
Ashish Gopal Saxena	92,308
Irem Sayeed	73,846
Sudhakar Mogera	73,846

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

- Date of Grant
- Weighted average share price
- Exercise price
- Expected volatility
- Option life (comprising of weighted average of vesting period and exercise period)
- Expected dividends
- Risk free rate of return

August 13, 2018	September 26, 2018	November 02, 2018	November 14, 2018	December 26, 2018
Rs. 140/-	Rs. 140/-	Rs. 140/-	Rs. 140/-	Rs. 140/-
Rs. 130/-	Rs. 130/-	Rs. 130/-	Rs. 130/-	Rs. 130/-
39.71%	41.40%	41.56%	41.60%	42.28%
3.98 years	3.98 years	3.98 years	3.98 years	3.98 years
0%	0%	0%	0%	0%
7.74%	8.02%	7.57%	7.48%	7.09%

The method used and the assumptions made to incorporate the effects of expected early exercise

The expected life of options has been calculated as the sum of the total vesting period and proportionate of the exercise period. The proportionate exercise period has been considered since there is no consistent / reliable data with respect to the exercise of options and the company being into growth phase, we assume that the exercise will happen more early during the exercise period in the later years vis-à-vis the current period.

The following average of the exercise period has been considered as part of the life of options for each year of graded vesting:

Particulars	Average period within which the options are expected to be exercised during the exercise period
Vesting at the end of one year	50% of the Exercise Period

	<table border="1"> <tr> <td>Vesting at the end of two years</td> <td>40% of the Exercise Period</td> </tr> <tr> <td>Vesting at the end of three years</td> <td>30% of the Exercise Period</td> </tr> <tr> <td>Vesting at the end of four years</td> <td>25% of the Exercise Period</td> </tr> </table>	Vesting at the end of two years	40% of the Exercise Period	Vesting at the end of three years	30% of the Exercise Period	Vesting at the end of four years	25% of the Exercise Period
Vesting at the end of two years	40% of the Exercise Period						
Vesting at the end of three years	30% of the Exercise Period						
Vesting at the end of four years	25% of the Exercise Period						
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Volatility is the measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes options pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. we have considered the historical volatility of the shares of the Company, including days on which there was no trading in the equity shares of the Company, on BSE commensurate with the expected life of the options being valued						
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	No other feature has been considered for fair valuation of options except as mentioned in the points above.						