



**DISCLOSURE PURSUANT TO REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS ON 31ST MARCH, 2016:**

**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.**

The disclosures are provided in Notes 3 and 42 to the financial statements of the Company for the year ended 31st March, 2016.

**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.**

Rs. 7.25

**C. Details related to Employee Stock Option Schemes (ESOS) of the Company:**

Sr. No.	Particulars	ESOS – 2006				ESOS – 2013					
		Tranche I (December 31, 2007)	Tranche II (July 24, 2008)	Tranche III (December 22, 2009)	Tranche IV (January 24, 2011)	Tranche I Stock Option (February 11, 2014)	Tranche I Restricted Stock Units (RSU) (February 11, 2014)	Tranche II Stock Option (December 29, 2014)	Tranche II Restricted Stock Units (RSU) (December 29, 2014)	Tranche III Stock Option (January 21, 2016)	Tranche III Restricted Stock Units (RSU) (January 21, 2016)
		Options Granted: 19,931,000	Options Granted: 6,131,250	Options Granted: 6,918,750	Options Granted: 2,524,500	Options Granted: 18,565,428	RSU's Granted: 8,105,587	Options Granted: 559,677	RSU's Granted: 254,499	Options Granted: 1,048,615	RSU's Granted: 476,851
<b>i. A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including</b>											
a.	Date of shareholder's approval	5 <sup>th</sup> November, 2007				16 <sup>th</sup> September, 2013					
b.	Total number of options approved under ESOS	3,95,30,408 options				3,55,49,000 (comprising of options and/or restricted stock units)					
c.	Vesting requirements	Not earlier than one year and not more than five years from the date of grant of options.	Not earlier than one year and not more than five years from the date of grant of options.	Not earlier than one year and not more than five years from the date of grant of options.	Not earlier than one year and not more than five years from the date of grant of options.	Not earlier than one year and not more than five years from the date of grant of options.	Not earlier than one year and not later than three years from the date of grant of RSUs.	Not earlier than one year and not more than five years from the date of grant of options.	Not earlier than one year and not later than three years from the date of grant of RSUs.	Not earlier than one year and not more than five years from the date of grant of options.	Not earlier than one year and not later than three years from the date of grant of RSUs



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d.	Exercise price or pricing formula	<p>The exercise price was determined by averaging the daily closing price of the Company's equity shares during 7 days immediately preceding the date of grant and discounting it by 15%.</p> <p>In accordance with the approval of the Board of Directors and the shareholders of the Company, the ESOS Compensation Committee had re-priced the options from Rs. 112.57 to Rs. 39.30 per option on December 22, 2009.</p> <p>Exercise price – Rs. 39.30</p>	<p>The exercise price was determined by averaging the daily closing price of the Company's equity shares during 7 days immediately preceding the date of grant.</p> <p>In accordance with the approval of the Board of Directors and the shareholders of the Company, the ESOS Compensation Committee had re-priced the options from Rs. 84.03 to Rs. 45.55 per option on December 22, 2009.</p> <p>Exercise price – Rs. 45.55</p>	<p>The exercise price was determined by averaging the daily closing price of the Company's equity shares during 7 days immediately preceding the date of grant.</p> <p>Exercise price: Rs. 57.55 per option</p>	<p>The exercise price was determined by averaging the daily closing price of the Company's equity shares during 7 days immediately preceding the date of grant.</p> <p>Exercise price: Rs. 68.86 per option</p>	<p>The exercise price was taken as previous day's closing price, Immediately preceding the date of grant.</p> <p>Exercise price: Rs. 126.45 per option</p>	<p>The exercise price is at the face value of Rs. 10/- each of the Equity shares of your Company.</p> <p>Exercise price: Rs.10 per RSU</p>	<p>The exercise price was taken as previous day's closing price, Immediately preceding the date of grant.</p> <p>Exercise price: Rs. 150.10 per option</p>	<p>The exercise price is at the face value of Rs. 10/- each of the Equity shares of your Company.</p> <p>Exercise price: Rs. 10/- per RSU</p>	<p>The exercise price was taken as previous day's closing price, immediately preceding the date of grant.</p> <p>Exercise price: Rs. 117.55 per option</p>	<p>The exercise price is at the face value of Rs. 10/- each of the Equity shares of your Company.</p> <p>Exercise price: Rs. 10/- per RSU</p>



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e.	Maximum term of options granted	Five years from the date of vesting of options	Five years from the date of vesting of options	Five years from the date of vesting of options	Five years from the date of vesting of options	Five years from the date of vesting of options	Five years from the date of vesting of restricted stock units	Five years from the date of vesting of options	Five years from the date of vesting of restricted stock units	Five years from the date of vesting of options	Five years from the date of vesting of restricted stock units
f.	Source of shares	Primary									
g.	Variation in term of options granted	In accordance with the approval of the Board of Directors and the shareholders of the Company, the Nomination & Remuneration Committee had re-priced the options from ` 112.57 to ` 39.30 per option on December 22, 2009.	In accordance with the approval of the Board of Directors and the shareholders of the Company, the Nomination & Remuneration Committee had re-priced the options from ` 84.03 to ` 45.55 per option on December 22, 2009.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>ii. Method used to account for ESOS-Intrinsic or fair value</b>											
The Company has calculated the Employee Compensation cost using the intrinsic value method of Accounting to account for options issued under the ESOS.											



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<b>iii. Where the Company opts for expensing the options using the intrinsic value of the Options</b>											
	- 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	Employee Compensation Cost:									
		- Intrinsic value based									
		- Fair value based									
		Difference									
	- The impact of this difference :										
	▪ On profits	Net profit									
	▪ EPS	Basic									
		Diluted									
<b>iv. Option movement during the year (For each ESOS):</b>											
<b>Particulars</b>										<b>Details</b>	
Number of options outstanding at the beginning of the year (including restricted stock units)										31,668,961	
Number of options granted during the year (including restricted stock units)										1,525,466	
Number of options forfeited/ lapsed during the year (including restricted stock units)										(255,559)	
Number of options vested during the year (including restricted stock units)										4,700,730	
Number of options exercised during the year										(2,664,951)	



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	Number of shares arising as a result of exercise of options										2,664,951
	Money realized by exercise of options (INR), if scheme is implemented directly by the Company										175,110,633.60
	Loan repaid by the Trust during the year from exercise price received										<b>Not Applicable</b>
	Number of options outstanding at the end of the year (including Restricted Stock Units)										30,250,105
	Number of options exercisable at the end of the year (including Restricted Stock Units)										11,344,573
<b>v. Weighted-average exercise prices and weighted-average fair values of options</b>											
a.	Weighted-average exercise prices and weighted average fair value of options whose exercise price equals the market price of the stock	-	-	-	-	Weighted-average exercise price: Rs.126.45  Weighted-average fair value of options: Rs 60.51	-	Weighted-average exercise price: Rs.150.10  Weighted-average fair value of options: Rs. 66.27	-	Weighted-average exercise price: Rs.117.55  Weighted-average fair value of options: Rs. 48.97	-

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b.	Weighted-average exercise prices and weighted average fair value of options whose exercise price is less than the market price of the stock	Weighted-average exercise price: Rs.39.30  Weighted-average fair value of options: Rs. 31.76	Weighted-average exercise price: Rs.45.55  Weighted-average fair value of options: Rs. 30.80	-	-	-	Weighted-average exercise price: Rs.10  Weighted-average fair value of options: Rs. 118.70	-	Weighted-average exercise price: Rs.10  Weighted-average fair value of options: Rs. 140.41		Weighted-average exercise price: Rs.10  Weighted-average fair value of options: Rs. 107.71
c.	Weighted-average exercise prices and weighted average fair value of options whose exercise price exceeds the market price of the stock	-	-	Weighted-average exercise price: Rs.57.55  Weighted-average fair value of options: Rs. 31.34	Weighted-average exercise price: Rs.68.86  Weighted-average fair value of options: Rs. 37.47	-	-	-	-		
<b>vi. Employee wise details ( name of employee, designation, number of options granted during the year, exercise price) of options granted to</b>											
a.	Senior Managerial Personnel	Himanshu Kapania (MD)- 2,67,500	Himanshu Kapania (MD)- 66,875	NIL	NIL	Himanshu Kapania (MD)- 18,93,740	Himanshu Kapania (MD)- 5,33,333	NIL	NIL	NIL	NIL



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b.	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	NIL	NIL	NIL	NIL	Amrish Jain (Dy. CEO)- 9,46,870	Amrish Jain (Dy. CEO)- 2,66,667	Gautam Deshpande- 42,672 Ramachandra n C- 35,560 Ashok Kumar- 35,560 Harish Ahlawat- 35,560 Hitesh Sood- 35,560 Sangeeta Iyer- 35,560	Gautam Deshpande- 19,405 Ramachandra n C- 16,171 Ashok Kumar- 16,171 Harish Ahlawat- 16,171 Hitesh Sood- 16,171 Sangeeta Iyer- 16,171	Rochak Kapur – 75,907 Shyamji Agrawal – 62,368 Mohanrao Kumbhar – 62,368 Ravinder Beniwal – 75,907 Debashis Banerjee – 108,732	Rochak Kapur – 34,518 Shyamji Agrawal – 28,361 Mohanrao Kumbhar – 28,361 Ravinder Beniwal – 34,518 Debashis Banerjee – 49,445
c.	Identified employee 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	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information</b>											
a.	the weighted –average values of share price:										
	exercise price:	Rs. 39.30	Rs. 45.55	Rs. 57.55	Rs. 68.86	Rs.126.45	Rs. 10	Rs.150.10	Rs. 10	Rs. 10	Rs. 10
	expected volatility:	54.54%	54.54%	54.54%	50.45%	34.13%- 44.81%	43.95%	34.28%- 42.65%	35.66%	34.70% - 35.33%	34.24%
	expected option life:	4 Years & 6 Months	5 Years & 9 Months	6 Years & 6 Months	6 Years & 6 Months	6 Years & 6 Months	5 Years & 6 Months	6 Years & 6 Months	5 Years & 6 Months	6 Years & 6 Months	5 Years & 6 Months
	expected dividends:	Nil	Nil	Nil	Nil	0.24	0.24	0.40	0.40	0.51	0.51



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	the risk-free interest rate:	7.36%	7.36%	7.36%	8.04%- 8.14%	8.81%- 8.95%	8.91%	8.04%- 8.06%	8.05%	7.42% - 7.66%	7.60%
	any other inputs to the model	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
b.	the method used and the assumptions made to incorporate the effects of expected early exercise	Black-Scholes Method									
c.	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	<p>The following factors have been considered:</p> <ul style="list-style-type: none"> <li>- The Closing price of the Company's shares on the National Stock Exchange of India Limited (NSE) on the date previous to grant date.</li> <li>- Adjustment of the aforesaid closing price for the expected dividend yield over the expected life of the options/ RSUs.</li> <li>- Zero coupon Government Securities rate representing the risk free interest rate.</li> <li>- The expected life of the options/ RSU's i.e. the period upto the vesting date plus the average of the exercise period corresponding to each vesting.</li> </ul>									
d.	whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	<ul style="list-style-type: none"> <li>- Implied volatility of the Company's stock price on NSE based on the price data of number of years equal to the expected life.</li> <li>- Exercise price</li> </ul>									