

## **Annexure VIII to Directors' Report**

### **Details of the Employee Stock Option Scheme (ESOS) as of March 31, 2019 pursuant to the requirements under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014**

- The Company has three ESOS viz. ESOS 2010, ESOS 2016 and ESOS 2017.
- During the year under review, the Company has not amended the terms of stock options granted under ESOS 2010, ESOS 2016 and ESOS 2017.
- The Schemes ESOS 2010, ESOS 2016 and ESOS 2017 are in compliance with the Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Companies Act, 2013.

The following details have been disclosed on the Company's website at <http://www.geojit.com>

- 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 the Note 40 to the financial statements of the Company for the year ended 31st March, 2019.

- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

1.22

#### **Details related to ESOS:**

- (i) The general terms and conditions pertaining to stock options granted under ESOS 2010, ESOS 2016 and ESOS 2017 are given below:

**Employee Stock Options as on March 31, 2019**

Plan/Schemes	Date of shareholders approval	Total No. of Options approved	Exercise Price (₹)	Number of options outstanding at the beginning of the year	Number of options granted during the year	Options Vested	Number of options Exercised during the year	Number of Shares allotted during the year	Number of options lapsed/ forfeited during the year	Number of options outstanding at the end of the year	Number of options exercisable at the end of the year
ESOS 2010- Tranche -III	12 July 2010	1,12,00,000	23.95	2,54,514	-	-	2,26,550	2,32,460	27,964	-	-
ESOS 2010- Tranche -IV	12 July 2010	1,12,00,000	41.45	8,47,863	-	-	1,71,922	1,73,822	19,913	6,56,028	6,56,028
ESOS 2016- Grant I	4 August 2016	94,00,000	41.60	67,32,660	-	2,19,684	19,596	19,596	11,43,650	55,69,414	3,39,283
ESOS 2016- Grant II	4 August 2016	94,00,000	117.40	10,95,795	-	3,691	-	-	1,87,154	9,08,641	1,717
ESOS 2016- Grant III	4 August 2016	94,00,000	117.35	2,582	-	-	-	-	1,097	1,485	-
ESOS 2016- Grant IV	4 August 2016	94,00,000	101.25	23,674	-	-	-	-	11,974	11,700	-
ESOS 2016- Grant V	4 August 2016	94,00,000	101.15	-	2,61,250	-	-	-	36,679	2,24,571	-
ESOS 2016- Grant VI	4 August 2016	94,00,000	44.10	-	7,49,660	-	-	-	46,887	7,02,773	-
ESOS 2016- Grant VII	4 August 2016	94,00,000	39.75	-	12,78,698	-	-	-	-	12,78,698	-
ESOS 2017- Tranche 1	22 November 2017	47,10,888	117.35	10,51,995	-	8,73,553	-	-	1,91,296	8,60,699	8,60,699
ESOS 2017 - Special	22 November 2017	47,10,888	98.20	-	4,00,000	-	-	-	-	4,00,000	-
ESOS 2017- Tranche 2	22 November 2017	47,10,888	39.75	-	10,72,516	-	-	-	1,922	10,70,594	-

Options Exercised during FY 2018-19	4,18,068
Share Capital Money received during the above period ( in ₹.)	4,25,878.00
Share Premium Money received during the above period ( in ₹.)	1,31,61,654.50
Perquisite Tax Amount collected during the aforesaid period( in ₹.)	22,95,964.00
Total amount collected during the aforesaid period ( in ₹.)	1,58,83,496.50

Particulars	ESOS 2010	ESOS 2016	ESOS 2017
Vesting Requirement	100% of granted stock options shall vest on completion of two years from the grant date.	Vesting will be on 1st of October every year starting from 1st Oct 2017, provided the employee has fulfilled the conditions of target achievement for the previous financial year.	100% of granted stock options shall vest on completion of one year from the grant date.
Maximum term of options	Five years from the date of grant of stock options	Eight years from the date of grant of stock options	Five years from the date of grant of stock options
Source of shares	Primary	Primary	Primary
Variation in terms of ESOS	Nil	Nil	Nil

Particulars	Method used to account for ESOS	Difference between the employee compensation cost computed under Intrinsic value method and the employee compensation cost that shall have been recognised if it had used the fair value of the options	The impact of the difference on profits and on EPS of the Company
ESOS 2010- Tranche -II	Intrinsic Value	-	Profit for the Year (As reported) ₹29,32,55,563
ESOS 2010- Tranche -III		-	Add: Expense on Employee Stock Option Plans under Intrinsic Value
ESOS 2010- Tranche -IV		-	Method- ₹ Nil
ESOS 2016- Grant I		85,77,591	Less: Expense on Employee Stock Option Plans under Fair Value
ESOS 2016- Grant II		79,09,931	Method- ₹5,26,43,365
ESOS 2016- Grant III		17,169	Profit for the Year (Proforma)- ₹24,06,12,198
ESOS 2016- Grant IV		1,44,036	Basic earnings per share (As reported)- 1.23
ESOS 2016- Grant V		56,30,006	Basic earnings per share (Proforma)- 1.01
ESOS 2016- Grant VI		11,10,469	Diluted earnings per share (As reported)- 1.22
ESOS 2016- Grant VII		1,11,388	Diluted earnings per share (Proforma)- 1.00
ESOS 2017- Tranche 1		2,36,65,980	
ESOS 2017 - Special		53,38,005	
ESOS 2017- Tranche 2		1,38,790	

## II. Details of Options granted to Directors and Senior Managerial Persons

Name	Designation	No. of options granted under ESOS 2017 (Tranche - 1)	No. of options granted under ESOS 2017 (Special)	No. of options granted under ESOS 2017 (Tranche - 2)	No. of options granted under ESOS 2016 (Grant I)	No. of options granted under ESOS 2016 (Grant II)	No. of options granted under ESOS 2016 (Grant III)	No. of options granted under ESOS 2016 (Grant IV)	No. of options granted under ESOS 2016 (Grant V) Top LG	No. of options granted under ESOS 2016 (Grant VI)	No. of options granted under ESOS 2016 (Grant VII)	No. of options granted under ESOS 2010 (Tranche III)	No. of options granted under ESOS 2010 (Tranche IV)
Mr. Satish Menon	Whole-time Director	2,000	0	2,000	5,00,000	0	0	0	0	0	0	-	-
Mr. A Balakrishnan	Whole-time Director	2,000	0	2,000	0	0	0	0	0	0	0	-	-
Ms. Jaya Jacob Alexander*	Chief Human Resources	76	0	0	0	0	0	0	0	0	0	-	-
Mr. Kamal Mampilly*	Chief Human Resources	0	0	0	0	0	0	0	0	0	0	-	-
Mr. Sanjeev Rajan	Chief Financial Officer	0	1,00,000	0	0	0	0	0	0	0	0	-	-
Mr. Sanil Kumar K V	Senior Vice President	0	0	1,504	3,40,000	0	0	49	0	0	49	-	-
Mr. Liju K Johnson	Company Secretary	1,000	0	1,025	0	0	0	0	0	0	0	-	-
Mr. Renjith R G	Senior Vice President	1,500	0	1,500	3,60,000	0	0	0	0	0	0	-	-
Mr. Gaurang H Shah	Senior Vice President	1,000	0	1,500	0	0	0	0	0	0	0	-	-
Mr. Kamat Prakash Ramachandra	Senior Vice President	1,500	0	0	2,16,400	0	0	0	0	0	0	-	-
Ms. Vimala Jose	Chief Compliance & Ethics Officer	6,063	0	1,922	0	0	0	0	0	0	0	-	-

\* Mrs. Jaya Jacob Alexander, Chief of Human Resources, retired from the Company w.e.f. 28.02.2019. Mr. Kamal Mampilly was appointed as Chief of Human Resources w.e.f. 01.03.2019

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

**a) Description**

Schemes	weighted-average fair value of options	weighted-average exercise price	expected volatility	expected option life	expected dividends	risk-free interest rate
ESOS 2010- Tranche III	5.70	16 May 18 – 99.60 02 Aug 18 – 81.45	42%	2	4.59%	8%
ESOS 2010- Tranche IV	16.64	16 May 18 – 99.60 02 Aug 18 – 81.45 24 Oct 18 – 41.75 17 Jan 19 – 45.05 26 Mar 19 – 39.90	66%	2	0.46%	8%
ESOS 2016 - Grant I	13.45	02 Aug 18 – 81.45 24 Oct 18 – 41.75 17 Jan 19 – 45.05	35%	2.7-5.7	2.00%	6.70%-6.90%
ESOS 2016 - Grant II	37.48	-	37%	2.6-4.6	1.20%	6.10%-6.30%
ESOS 2016 - Grant III	38.37	-	39%	2.7-4.2	1.20%	6.70%-6.90%
ESOS 2016 - Grant IV	33.57	-	40%	2.5-4.0	1.20%	6.80%-7.00%
ESOS 2016- Grant V	27.58	-	39%	2.5	2.20%	7.00%
ESOS 2016- Grant VI	12.67	-	37%	2.8-3.3	2.20%	6.90%-7.00%
ESOS 2016- Grant VII	11.15	-	39%	2.5-3.0	2.20%	6.50%-6.60%
ESOS 2017- Tranche 1	33.77	-	39%	2.5	1.20%	6.70%
ESOS 2017 - Special	27.03	-	39%	2.5	2.20%	7.20%
ESOS 2017- Tranche 2	10.74	-	39%	2.5	2.20%	6.50%

b) The method used and the assumptions made to incorporate the effects of expected early exercise;	Black – Scholes Options Pricing Model
c) How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	Annualised volatility is computed using the high and low market price of the Company's share over the one-year period prior to the date of grant. It is assumed that employees would exercise the options immediately on vesting. The historical volatility of the Company's share price is higher than the volatility considered above. However, the Company expects the volatility of its share price to reduce as its matures.
d) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	

**Disclosures in respect of grants made in three years prior to IPO under the ESOS:** All the Options granted in the three years prior to the IPO have either been exercised or have lapsed.