

Disclosures under IndoStar ESOP Plan 2012, IndoStar ESOP Plan 2106, IndoStar ESOP Plan 2016-II, IndoStar ESOP Plan 2017 and IndoStar ESOP Plan 2018 (ESOP Plans) in terms of Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (SEBI ESOP Regulations), for financial year ended March 31, 2018.

Sr. No.	Particulars	Disclosures				
A	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	Please refer "Note 24: Employee stock options plans" to the standalone audited financial statements of the Company for the financial year ended March 31, 2018.				
B	Diluted EPS on issue of shares pursuant to all the ESOP Plans covered under the SEBI ESOP 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	Diluted EPS for the financial year 2017-18: INR 27.03. The same is disclosed as per AS-20 issued by ICAI at "Note 22: Earnings per share" to the standalone audited financial statements of the Company for the financial year ended March 31, 2018.				
C	Details related to ESOP Plans	ESOP 2012	ESOP 2016	ESOP 2016 - II	ESOP 2017	ESOP 2018
(i)	Description of ESOP Plans					
	(a) Date of Shareholder's approval	July 30, 2012	May 9, 2016	October 17, 2016	April 28, 2017	December 15, 2017
	(b) Total number of options approved under ESOP Plan	15,00,000 (Fifteen Lakh) options	27,00,000 (Twenty Seven Lakh) options	30,00,000 (Thirty Lakh) options	20,00,000 (Twenty Lakh) options	60,00,000 (Sixty Lakh) options
	(c) Vesting Requirements	<p>Vesting Criteria will specified for each Option Holder by the Nomination and Remuneration Committee at the time of grant of Options.</p> <p>For valid vesting of Options, the concerned Option Holder is required to be an Eligible Employee on the respective Vesting Date and must neither be serving his/her notice period for termination of service nor be subject to any disciplinary proceedings pending against him/her.</p> <p>Unless the NRC provides otherwise, the Vesting of Options granted hereunder shall be stalled / blocked during any unauthorised and unpaid leave of absence for such period as may prescribed by NRC or for any Cause as deemed fit by the NRC.</p>				
	(d) Exercise price or pricing formula	<p>Options can be Exercised at any of the following Exercise Price, as may be determined by the NRC at its sole discretion at the time of grant of Options:</p> <p>(i) Fair Market Value rounded to the nearest rupee; or</p> <p>(ii) Market Price rounded to the nearest rupee; or</p> <p>(iii) such price as may be determined by the NRC.</p> <p>However, the Exercise Price shall not be less than the Fair Market Value of the Shares.</p>				
	(e) Maximum term of options granted	Options granted under the ESOP Plans would vest not less than 1 (one) year and not more than 5 (five) years from the date of grant of Options.				
	(f) Source of shares (primary, secondary or combination)	Primary				
	(g) Variation in terms of options	NA				
ii	Method used to account for ESOP	The Company followed Intrinsic Value Method for computing cost of Options.				
iii	Where the Company opts for expensing of options using the intrinsic value of 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 Earnings per share (EPS) of the Company shall also be disclosed	<p>Difference between the employee compensation cost computed under intrinsic value method and fair value method: INR 1,285.77 Lac.</p> <p>Impact of the difference on Profit and EPS of the Company:</p> <p>- Profit after tax will be lowered by INR 1,285.77 Lac;</p> <p>- EPS will be lowered by INR 1.63 (Basic) and INR 1.48 (Diluted)</p> <p>Please refer "Note 24: Employee stock options plans" to the standalone audited financial statements of the Company for the financial year ended March 31, 2018.</p>				
iv	Option movement during the financial year ended March 31, 2018:	ESOP 2012	ESOP 2016	ESOP 2016 - II	ESOP 2017	ESOP 2018
	Number of Options outstanding at the beginning of the year	1,490,784	2,400,777	2,747,000	NA	NA
	Number of Options granted during the year	7,500	329,000	262,000	1,998,500	1,548,500
	Number of Options forfeited/ lapsed during the year	2,990	30,000	16,000	7,500	17,000
	Number of Options vested during the year	832,454	2,239,777	273,700	0	0
	Number of Options exercised during the year	0	0	0	0	0
	Number of Shares arising as a result of exercise of Options	0	0	0	0	0

	Money realised by exercise of options (INR), if scheme is implemented directly by the Company	NA	NA	NA	NA	NA
	Loan repaid by the trust during the year from exercise price received	NA	NA	NA	NA	NA
	Number of options outstanding at the end of the year	1,495,294	2,699,777	2,993,000	1,991,000	1,531,500
	Number of options exercisable at the end of the year	1,050,994	2,239,277	273,700	0	0
v	Weighted average exercise prices and the weighted average fair values of options shall be disclosed for options whose exercise price either equals or exceeds or is less than the market price of the stock	NA				
vi	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –					
	(a) Senior Managerial Personnel	Please refer Note No. 1				
	(b) Any other employee who receives a grant in any one year of Option amounting to 5% or more of options granted during that year.	Please refer Note No. 2				
	(c) Identified employees who were granted options, 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;	Please refer Note No. 3				
vii	A description of the method and significant assumptions used during the year to estimate the fair values of options, including 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	Please refer "Note 24: Employee stock options plans" to the standalone audited financial statements of the Company for the financial year ended March 31, 2018.				
	(b) the method used and the assumptions made to incorporate the effects of expected early exercise	NA				
	(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Expected volatility is a measure of the amount by which the equity share price is expected to fluctuate during the period. The measure of volatility used in Black-Scholes option pricing model is the variance in the value of the underlying asset over the life of the option. Expected volatility has been computed by considering historical volatility of the equity shares of comparable companies based on the life of options. Please refer "Note 24: Employee stock options plans" to the standalone audited financial statements of the Company for the financial year ended March 31, 2018.				
	d) 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 point (a) above. Please refer "Note 24: Employee stock options plans" to the standalone audited financial statements of the Company for the financial year ended March 31, 2018.				
	Disclosures in respect of grants made in three years prior to IPO under each ESOP Plans:					
i	Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made.	Please refer "Note 24: Employee stock options plans" to the standalone audited financial statements of the Company for the financial year ended March 31, 2018.				



Note 1

Options granted to Senior Management Personnel during the year ended March 31, 2018

Sr. No.	Name	Designation	ESOP Plan	Options granted during the year ended March 31, 2018
1	Mr. R. Sridhar	Executive Vice-Chairman & CEO	ESOP 2017	1,428,500
			ESOP 2018	983,000
2	Mr. Hansraj Thakur	Business Head - SME Finance	ESOP 2016	125,000
3	Mr. A Gowthaman	Business Head - Vehicle Finance	ESOP 2016-II	100,000



Note 2

Employees who have received a grant in financial year ended March 31, 2018 of Options amounting to 5% or more of options granted during the year

Sr.No.	Name of the employee	Designation	ESOP Plan	Options granted during financial year ended March 31, 2018
1	Mr. R. Sridhar	Executive Vice-Chairman & CEO	ESOP 2017	1,428,500
			ESOP 2018	983,000



Note 3

Employees who were granted options equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant, during financial year ended March 31, 2018

Sr.No.	Name of the employee	Designation	ESOP Plan	Options granted during financial year ended March 31, 2018
1	Mr. R. Sridhar	Executive Vice-Chairman & CEO	ESOP 2017	1,428,500
			ESOP 2018	983,000