

3. Disclosures as per SEBI Regulations

SEBI Regulations provides that the ESOP details shall be disclosed either in the Director's Report or in the annexure to the Director's Report.

A. Summary of Status of ESOPs Granted

The position of the existing scheme is summarized as under -

Sr. No.	Particulars	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
<b>I. Details of the ESOS</b>				
1	Date of Shareholder's Approval	Originally approved in AGM held on 26 Jul 2007 and revised in AGM held on 28 Jul 2010		Postal Ballot dated 21 Jan 2016
2	Total Number of Options approved	Bajaj Growth 2007 Scheme approved 4,321,440 shares of face value Rs.2 each (erstwhile 864,288 shares of Rs.10 each prior to share-split) equivalent to 5% of paid up equity shares i.e. 86,428,800 shares as at the date of the announcement of scheme. The ESOP 2011 being the modified ESOP 2007 Scheme: approved aggregate of 78,03,560 shares of face value Rs.2 each equivalent to 8% of paid up equity shares i.e. 97,544,495 as at the date of the announcement of scheme.	30,27,073 shares of face value Rs.2 each equivalent to 3% of paid up equity i.e. 100,902,426 shares as at the date of the announcement of scheme.	
3	Vesting Requirements	Options vesting happens only on continuation of employment being the vesting requirement. The options are granted to employees with grade Assistant General Manager and above. As per Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and SEBI (Share Based Employee Benefits) (Amendment) Regulations, 2015, there is a minimum period of one year between the grant of options and vesting of option observed by the Company. The vested options can be exercised anytime upto 3 years from date of vesting. Options granted under the plan carry no dividend or voting rights till the options are exercised and duly allotted to the employees. When exercisable, each option is convertible into one equity share.		
4	The Pricing Formula	Closing price on the exchange where there is highest trading volume on working day prior to the date of grant.		
5	Maximum term of Options granted (years)	7 Years	7 Years	7 Years
6	Method of Settlement	Equity settled	Equity settled	Equity settled
7	Source of shares	Fresh Issue	Fresh Issue	Fresh Issue
8	Variation in terms of ESOP	Nil	Nil	Nil
9	Equity Shares reserved for issue under Employee Stock options outstanding as at March 31, 2018	The Company had reserved for issuance of 10,830,633 Equity Shares of Rs.2/- each to eligible employees of the Company under Employees Stock Option Pool, of which number of stock options not yet granted are 1,069,792, number of stock options vested & exercisable are 409,075, number of stock options unvested are 981,500, number of stock options cancelled under ESOP 2015 Scheme are 163,500 and number of stock options lapsed under ESOP 2015 Scheme are Nil. Thus, total equity shares reserved for issuance under ESOP Scheme outstanding as at March 31, 2018 are 2,623,867.		

Particulars		BAJAJ GROWTH 2007			ESOP 2011			ESOP 2015		
Sr. No.	Particulars	No. of Options	Wt. avg exercise Price	No. of Options	Wt. avg exercise Price	No. of Options	Wt. avg exercise Price	No. of Options	Wt. avg exercise Price	
III. Option Movement during the year ended Mar 2018										
Sr. No	Particulars	No. of Options	Wt. avg exercise Price	No. of Options	Wt. avg exercise Price	No. of Options	Wt. avg exercise Price	No. of Options	Wt. avg exercise Price	
1	No. of Options Outstanding at the beginning of the year	1,20,000	313.95	13,99,550	245.37	5,69,000	244.89			
2	Options Granted during the year	0	0.00	0	0.00	3,77,500	423.48			
3	Options Forfeited / Surrendered during the year	4,000	313.95	1,30,000	278.39	1,08,500	233.86			
4	Options Lapsed during the year	57,500	313.95	28,150	192.03	0	0.00			
5	Options Exercised during the year	56,500	313.95	6,38,075	213.55	50,750	234.50			
6	Number of options Outstanding at the end of the year	0	0.00	6,03,325	274.41	7,87,250	332.72			
7	Number of Options exercisable at the end of the year	0	0.00	3,48,325	268.87	60,750	237.87			

Particulars		BAJAJ GROWTH 2007			ESOP 2011			ESOP 2015		
Sr. No	Particulars	No. of options	Wt. avg exercise price	No. of options	Wt. avg exercise price	No. of options	Wt. avg exercise price	No. of options	Wt. avg exercise price	
III. Option Movement during the year ended March 31, 2017										
Sr. No	Particulars	No. of options	Wt. avg exercise price	No. of options	Wt. avg exercise price	No. of options	Wt. avg exercise price	No. of options	Wt. avg exercise price	
1	No. of Options Outstanding at the beginning of the year	3,07,450	260.57	20,08,550	230.81	1,15,000	177.85			
2	Options Granted during the year	-	-	-	-	5,07,500	258.04			
3	Options Forfeited / Surrendered during the year	29,500	247.22	2,46,500	228.16	52,500	226.50			
4	Options Expired (Lapsed) during the year	1,20,950	288.38	59,300	195.54	-	-			
5	Options Exercised during the year	37,000	173.35	3,03,200	172.67	1,000	177.85			
6	Number of options outstanding at the end of the year	1,20,000	313.95	13,99,550	245.37	5,69,000	244.89			
7	Number of options exercisable at the end of the year	1,20,000	313.95	8,43,300	226.31	18,000	177.85			



Sr. No.	Particulars	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
III. Weighted Average remaining contractual life				
	Range of Exercise Price	Weighted average contractual life (years) as on 31 Mar 2018		
	0 to 100	Nil	Nil	Nil
	No. of Options Outstanding	Nil	Nil	Nil
	100 to 200	Nil	1.33	3.85
	No. of Options Outstanding	Nil	89,375.00	50,000.00
	200 to 300	Nil	3.05	4.31
	No. of Options Outstanding	Nil	3,10,150.00	3,37,250.00
	300 to 400	Nil	2.02	4.95
	No. of Options Outstanding	Nil	2,01,800.00	1,77,500.00
	400-500	Nil	Nil	5.90
	No. of Options Outstanding	Nil	Nil	2,22,500.00
IV. Weighted average contractual life (years) as on 31 Mar 2017				
	Range of Exercise Price	Weighted average contractual life (years) as on 31 Mar 2017		
	0 to 100	Nil	Nil	Nil
	No. of Options Outstanding	Nil	Nil	Nil
	100 to 200	Nil	1.71	4.54
	No. of Options Outstanding	Nil	4,67,050	94,000
	200 to 300	Nil	3.23	5.14
	No. of Options Outstanding	Nil	6,17,500	4,52,500.00
	300 to 400	0.58	3	5.65
	No. of Options Outstanding	1,20,000.00	3,15,000	22,500.00
	400-500	Nil	Nil	Nil
	No. of Options Outstanding	Nil	Nil	Nil

Sr. No.	Particulars	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
IV. Weighted average Fair Value of Options granted during the year ended Mar 2018 whose				
(a)	Exercise price equals market price	No options were granted during the year	No options were granted during the year	159.71
(b)	Exercise price is greater than market price			Nil
(c)	Exercise price is less than market price			Nil
Weighted average Fair Value of Options granted during the year ended Mar 2017 whose				
(a)	Exercise price equals market price	No options were granted during the year	No options were granted during the year	92.92
(b)	Exercise price is greater than market price			Nil
(c)	Exercise price is less than market price			Nil

V	The weighted average market price of options exercised during the year ended Mar 2018	360.32	405.77	436.58
	The weighted average market price of options exercised during the year ended Mar 2017	272.38	253.73	308.40

VI	Employee-wise details of options granted during the financial year 2017-18 is:			
(i)	Senior managerial personnel	No. of Options granted	No. of Options granted	No. of Options granted
	Name of employee			
(ii)	Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year	No. of Options granted	No. of Options granted	No. of Options granted
	Name of employee			
(iii)	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.	No. of Options granted	No. of Options granted	No. of Options granted
	Name of employee			



Sr. No.	Particulars	BAJAJ GRCWTH 2017	ESOP 2011	ESOP 2015
VII	Method and Assumptions used to estimate the fair value of options granted during the year ended Mar 2018:			
	The fair value has been calculated using the Black Scholes Option Pricing model			
	The Assumptions used in the model are as follows:			
	Variables	Weighted Average	Weighted Average	Weighted Average
	1. Risk Free Interest Rate			6.89%
	2. Expected Life(in years)			4.15
	3. Expected Volatility			37.22%
	4. Dividend Yield		No options granted during the year	0.68%
	5. Exercise Price			423.48
	6. Price of the underlying share in market at the time of the option grant. (Rs.)			423.48
	Method and Assumptions used to estimate the fair value of options granted during the year ended Mar 2017:			
	The fair value has been calculated using the Black Scholes Option Pricing model			
	The Assumptions used in the model are as follows:			
	Variables	Weighted Average	Weighted Average	Weighted Average
	1. Risk Free Interest Rate			6.71%
	2. Expected Life(in years)			4.15
	3. Expected Volatility			37.37%
	4. Dividend Yield		No options granted during the year	1.09%
	5. Exercise Price			258.04
	6. Price of the underlying share in market at the time of the option grant. (Rs.)			258.04



Assumptions:

1. Stock Price: Closing price on National Stock Exchange on the date of grant has been considered.
2. Volatility: The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information. The volatility is calculated considering the daily volatility of the stock prices on National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) over a period prior to the date of grant corresponding with the expected life of the options.
3. Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.
4. Exercise Price: Exercise Price of each specific grant has been considered.
5. Time to Maturity: Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live.
6. Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.

VIII		Effect of share-based payment transactions on the entity's Profit or Loss for the period:	
		31-Mar-18	31-Mar-17
		Particulars	
1	Employee Option plan expense	2,85,87,834	3,90,17,554
2	Total liability at the end of the period	9,58,13,741	11,98,99,461