

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.

Sr. No.	Particulars	BAJAJ LOYALTY 2007	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
I. Details of the ESOS					
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	One time grant at 50% discount to the closing price of the share	Closing price on the exchange where there is highest trading volume on working day prior to the date of grant.		

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Sr. No.	Particulars	BAJAJ LOYALTY 2007	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
5	Maximum term of Options granted (years)	4 Years	7 Years	7 Years	7 Years
6	Method of Settlement	Equity settled	Equity settled	Equity settled	Equity settled
7	Source of shares	Fresh Issue	Fresh Issue	Fresh Issue	Fresh Issue
8	Variation in terms of ESOP	Nil	Nil	Nil	Nil
9	Equity Shares reserved for issue under Employee Stock options outstanding as at March 31, 2020			The Company has 10,830,633 Equity Shares of Rs.2/- each available to issue as Employees Stock Options as its Total Pool Size as of March 31, 2020, of which number of stock options not yet granted under ESOP 2015 scheme are 1,600,098, number of stock options vested & exercisable under ESOP 2011 & ESOP 2015 schemes are 440,675 and number of stock options unvested under ESOP 2015 scheme are 959,625. Thus, total equity shares reserved for issuance under ESOP Scheme outstanding as at March 31, 2020 are 3,000,398.	

II. Option Movement during the year ended Mar 2020									
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	0	NA	0	0	2,37,975	281.66	10,13,450	456.71
2	Options Granted during the year	0	NA	0	0	0	0	4,65,000	357.09
3	Options Forfeited / Surrendered during the year	0	NA	0	0	26,950	297.81	1,84,775	438.55
4	Options Lapsed during the year	0	NA	0	0	24,250	281.84	0	0.00
5	Options Exercised during the year	0	NA	0	0	54,275	263.11	25,875	229.79
7	Money realised by exercise of options (Rs.)	0	NA	0	0	1,32,500	282.71	3,08,175	394.81
6	Number of options Outstanding at the end of the year	0	NA	0	NA	1,32,500	285.94	12,67,800	427.39
7	Number of Options exercisable at the end of the year	0	NA	0	NA	1,32,500	285.94	2,65,925	394.35

*Weighted Avg Exercise Price adjusted for rights issue

Option Movement during the year ended Mar 2019									
Sr. No	Particulars	No. of Options	Wt. avg	No. of Options	Wt. avg	No. of Options	Wt. avg	No. of Options	Wt. avg
1	No. of Options Outstanding at the beginning of the year	0	NA	0	NA	6,03,325	274.41	7,87,250	332.72
2	Options Granted during the year	0	NA	0	NA	0	NA	4,67,500	599.74
3	Options Forfeited / Surrendered during the year	0	NA	0	NA	48,750	281.51	1,59,750	368.85
4	Options Lapsed during the year	0	NA	0	NA	36,050	261.04	0	NA
5	Options Exercised during the year	0	NA	0	NA	2,80,550	268.74	81,550	251.74
6	Number of options Outstanding at the end of the year	0	NA	0	NA	2,37,975	281.66	10,13,450	456.71
7	Number of Options exercisable at the end of the year	0	NA	0	NA	1,70,475	290.02	1,33,200	328.31

Sr. No.	Particulars	BAJAJ LOYALTY 2007	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
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III. Weighted Average remaining contractual life

Range of Exercise Price	Weighted average contractual life (years) as on 31 Mar 2020			
0 to 100	Nil	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil	Nil
100 to 200	Nil	Nil	0.62	2.87
No. of Options Outstanding	Nil	Nil	6,400	9,750
200 to 300	Nil	Nil	1.75	2.54
No. of Options Outstanding	Nil	Nil	79,250	1,83,175
300 to 400	Nil	Nil	0.86	4.71
No. of Options Outstanding	Nil	Nil	46,850	5,37,375
400-500	Nil	Nil	Nil	3.51
No. of Options Outstanding	Nil	Nil	Nil	1,55,000
500-600	Nil	Nil	Nil	4.41
No. of Options Outstanding	Nil	Nil	Nil	90,000
600-700	Nil	Nil	Nil	4.01
No. of Options Outstanding	Nil	Nil	Nil	2,92,500

Range of Exercise Price	Weighted average contractual life (years) as on 31 Mar 2019			
0 to 100	Nil	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil	Nil
100 to 200	Nil	Nil	1.18	3.30
No. of Options Outstanding	Nil	Nil	16,625	20,375
200 to 300	Nil	Nil	2.43	3.54
No. of Options Outstanding	Nil	Nil	1,39,300	2,21,875
300 to 400	Nil	Nil	1.56	4.05
No. of Options Outstanding	Nil	Nil	82,050	1,41,200
400-500	Nil	Nil	Nil	4.90
No. of Options Outstanding	Nil	Nil	Nil	1,87,500
500-600	Nil	Nil	Nil	5.41
No. of Options Outstanding	Nil	Nil	Nil	1,02,500
600-700	Nil	Nil	Nil	5.01
No. of Options Outstanding	Nil	Nil	Nil	3,40,000

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Sr. No.	Particulars	BAJAJ LOYALTY 2007	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
IV	Weighted average Fair Value of Options granted during the year ended Mar 2020 whose				
(a)	Exercise price equals market price	No options were granted during the year	No options were granted during the year	No options were granted during the year	131.15
(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 2019 whose				
(a)	Exercise price equals market price	No options were granted during the year	No options were granted during the year	No options were granted during the year	238.54
(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 2020	NIL	NIL	463.37	422.14
	The weighted average market price of options exercised during the year ended Mar 2019	NIL	NIL	544.76	544.17
Sr. No.	Particulars	BAJAJ LOYALTY 2007	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
VI	Employee-wise details of options granted during the financial year 2019-20 to:				
(i)	Senior managerial personnel				
	Name of employee	No. of Options granted	No. of Options granted	No. of Options granted	No. of Options granted
	Ajay Nagle	NIL	NIL	NIL	20000
	Amit Bhalla	NIL	NIL	NIL	5000
	Hemal Vadera	NIL	NIL	NIL	7500
	Madhura Talegaonkar	NIL	NIL	NIL	5000
	Rajesh Naik	NIL	NIL	NIL	20000
	Sanjay Bhagat	NIL	NIL	NIL	20000
	Satish Satyarthi	NIL	NIL	NIL	20000
(ii)	Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year				
	Name of employee	No. of Options granted	No. of Options granted	No. of Options granted	No. of Options granted
	NIL	NIL	NIL	NIL	NIL
(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.				
	Name of employee	No. of Options granted	No. of Options granted	No. of Options granted	No. of Options granted
	NIL	NIL	NIL	NIL	NIL

Sr. No.	Particulars	BAJAJ LOYALTY 2007	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
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VII Method and Assumptions used to estimate the fair value of options granted during the year ended Mar 2020:

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	Weighted Average
1. Risk Free Interest Rate	No options granted during the year	No options granted during the year	No options granted during the year	6.08%
2. Expected Life(in years)				4.15
3. Expected Volatility				38.38%
4. Dividend Yield				0.96%
5. Exercise Price				363.27
6. Price of the underlying share in market at the time of the option grant. (Rs.)				363.27

Method and Assumptions used to estimate the fair value of options granted during the year ended Mar 2019:

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	Weighted Average
1. Risk Free Interest Rate	No options granted during the year	No options granted during the year	No options granted during the year	7.62%
2. Expected Life(in years)				4.15
3. Expected Volatility				38.77%
4. Dividend Yield				0.59%
5. Exercise Price				599.74
6. Price of the underlying share in market at the time of the option grant. (Rs.)				599.74

Assumptions:

Stock Price: Closing price on National Stock Exchange on the date of grant has been considered

Volatility: The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information

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

Exercise Price: Exercise Price of each specific grant has been considered.

Time to Maturity: Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live.

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:

Particulars		31-Mar-16	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20
1	Employee Option plan expense	5,02,00,676	4,22,99,042	2,85,87,834	3,89,30,444	5,21,24,268
2	Total liability at the end of the period	9,67,80,252	11,98,99,461	9,58,13,741	9,13,76,013	12,61,08,158