

ESOP Annexure

Disclosure pursuant to Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as on March 31, 2018

The shareholders of the Company had approved Employee Stock Options Scheme, 2017 through Postal Ballot on February 10, 2017, in compliance with the ESOP Regulations. The disclosures in pursuance of ESOP Regulations are as under:

- A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share based payments' issued by Institute of Chartered Accountants of India ("ICAI") or any other relevant accounting standards as prescribed from time to time.**

The disclosures are provided in Note 2.14.7 & 2.38 of the Notes to Standalone Financial Statements of the Company for the year ended March 31, 2018.

- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations in accordance with IND-AS- 102 (Share Based Payment) Earnings per Share issued by ICAI or any other relevant accounting standards as prescribed from time to time.**

Rs. 3.31

- C. Details related to Employees Stock Option Scheme (ESOS):**

i.	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -			
a)	Date of shareholders' approval	February 10, 2017		
b)	Total number of options approved under ESOS	5341840		
c)	Vesting requirements			
	Vesting of Options would be subject to continued employment with the Company and thus the Options would vest on passage of time.			
	Vesting Schedule			
	S. No.	% of options scheduled to vest	Vesting Date	Lock-in period
	1	20%	April 01, 2018	NIL
	2	20%	April 01, 2019	NIL

	3	20%	April 01, 2020	NIL
	4	40%	April 01, 2021	NIL
d)	Exercise price or pricing formula		<p>Exercise Price means the price payable by an Employee in order to Exercise the Options granted to him in pursuance of the ESOP 2017.</p> <p>The options will be granted at an exercise price equal to the latest available closing price discounted by 50% or such other percentage as may be decided by the Nomination and Remuneration Committee and approved by the Board of Directors, prior to the date of the meeting of the Nomination and Remuneration Committee, in which options are granted, on the stock exchange on which the Company's shares are listed.</p>	
e)	Maximum term of options granted		The options granted will vest gradually over a period not earlier than 1 (one) year and not later than 5 (five) years from the date of grant of such options.	
f)	Source of shares (primary, secondary or combination)		Primary	
g)	Variation in terms of options		None	
ii	Method used to account for ESOP - Intrinsic Value Method Or Fair Value			
	The Company has calculated the employee compensation cost using the fair value method of accounting to account for the options granted under ESOP 2017.			
iii	Where the Company opts for expensing of the options using the intrinsic value of the options -			
a)	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		N.A	
b)	Impact of this difference on profits and on EPS of the Company Reported Proforma (Adjusted)		Under the previous GAAP, the costs of Employee Stock Options were recognised using the intrinsic value method. Under Ind AS, the cost of Employee Stock Options is recognised based on the fair value of the	

		options as at the grant date. Consequently, the profit for the year ended 31 March 2017 decreased by Rs.1615
iv.	Option movement during the year:	
	Particulars	Details (ESOP 2017)
	Number of options outstanding at the beginning of the period	2700000
	Number of options granted during the year	NIL
	Number of options forfeited / lapsed during the year	670000
	Number of options vested during the year	NIL
	Number of options exercised during the year	NIL
	Number of shares arising as a result of exercise of options	NIL
	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	NIL
	Loan repaid by the Trust during the year from exercise price received	Rs. 26,00,000
	Number of options outstanding at the end of the year	2030000
	Number of options exercisable at the end of the year	NIL
v.	Weighted-average exercise prices and: weighted-average fair values of options, whose exercise price equals or exceeds or is less than the market price of the stock: -	Rs. 50 per share Rs. 92.90 per share

vi.	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to-	
	<ol style="list-style-type: none"> 1. Senior Level Managerial Personnel:- None 2. Any other employee who receive a grant in any one year of option amounting to 5% or more of options granted during the year:- None 3. 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:- None 	
a	The weighted average values:	
	Share Price (Rs.)	Rs. 147.60 per share
	Exercise Price (Rs.)	Rs. 50 per share
	Expected volatility	47.58%
	Expected option life (In Years)	4.07
	Expected dividend yield	0.54%
	Risk-free interest rate	7.15%
	Any other input to the mode	NIL
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	The expected volatility was determined based on historical volatility data. Volatility has been considered for periods, corresponding to the respective expected lives of the different vests, prior to the grant date. Daily volatility of the Company's stock price on NSE over these years has been considered.
d)	whether and how any other features of the option grant were incorporated into the measurement of fair value,	Not applicable

	such as a market condition.	
vii	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.	
	Not Applicable	

D. Details related to Trust

i. General information

Sl. No.	Particulars	Details
1	Name of the Trust	Minda Corporation Limited Employee Stock Options Scheme Trust
2	Details of the Trustee	1. Mr. Pramode Parasramka 2. Mr. Maharaj Kishan Pajan
3	Amount of loan disbursed by Company / any Company in the group, during the year	Nil
4.	Amount of loan outstanding (repayable to Company / any Company in the group) as at the end of the year	The Company had outstanding loan with the Trust as on March 31, 2018:- Loan Amount:- Rs. 17,97,73,948 Interest Amount:- Rs. 6,17,60,730
5	Amount of loan, if any, taken from any other source for which Company / any Company in the group has provided any security or guarantee	NIL
6	Any other contribution made to the Trust during the year	NIL

ii. Brief details of transactions in shares by the Trust

a)	Number of shares held at the beginning of the year	5341840
b)	Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous	NIL

	financial year, along with information on weighted average cost of acquisition per share	
c)	Number of shares transferred to the employees / sold along with the purpose thereof	NIL
d)	Number of shares held at the end of the year	5341840

iii. In case of secondary acquisition of shares by the Trust

Number of shares	NIL
Held at the beginning of the year	NIL
Acquired during the year	NIL
Sold during the year	NIL
Transferred to the employees during the year	NIL
Held at the end of the year	NIL

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