

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

### **Details of the Employee Stock Option Scheme (ESOS) as of March 31, 2020 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 FY 2019-20. ESOS 2010 expired in June 2019.
- 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 existing Schemes 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 34 to the financial statements of the Company for the year ended 31st March, 2020.

- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations in accordance with 'Ind AS 33 - Earnings per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

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#### **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, 2020**

| 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 -IV | 12 July 2010                  | 1,12,00,000                   | 41.45              | 6,56,028   | -   | -              | 4,359                                       | 4,359                                     | 6,51,669  | -  | -  |
| ESOS 2016- Grant I     | 4 August 2016                 | 94,00,000                     | 41.60              | 55,69,414  | -   | 21,533         | -   | -   | 70,565  | 54,98,849  | 3,56,784   |
| ESOS 2016- Grant II    | 4 August 2016                 | 94,00,000                     | 117.40             | 9,08,641   | -   | 35             | -   | -   | 1,03,060  | 8,05,581   | 1,695  |
| ESOS 2016- Grant III   | 4 August 2016                 | 94,00,000                     | 117.35             | 1,485  | -   | -              | -   | -   | -   | 1,485  | -  |
| ESOS 2016- Grant IV    | 4 August 2016                 | 94,00,000                     | 101.25             | 11,700   | -   | -              | -   | -   | 230   | 11,470   | -  |
| ESOS 2016- Grant V     | 4 August 2016                 | 94,00,000                     | 101.15             | 2,24,571   | -   | 2,24,571       | -   | -   | 1,825   | 2,22,746   | 2,22,746   |
| ESOS 2016- Grant VI    | 4 August 2016                 | 94,00,000                     | 44.10              | 7,02,773   | -   | -              | -   | -   | 1,92,871  | 5,09,902   | -  |
| ESOS 2016- Grant VII   | 4 August 2016                 | 94,00,000                     | 39.75              | 12,78,698  | -   | -              | -   | -   | 1,63,356  | 11,15,342  | -  |
| ESOS 2016 – Grant VIII | 4 August 2016                 | 94,00,000                     | 27.60              | -  | 1,59,691                                  | -              | -   | -   | 1,448   | 1,58,243   | -  |
| ESOS 2017- Tranche 1   | 22 November 2017              | 47,10,888                     | 117.35             | 8,60,699   | -   | -              | -   | -   | 55,179  | 8,05,520   | 8,05,520   |
| ESOS 2017 – Special 1  | 22 November 2017              | 47,10,888                     | 98.20              | 4,00,000   | -   | 28,295         | -   | -   | 71,705  | 3,28,295   | 28,295   |
| ESOS 2017- Tranche 2   | 22 November 2017              | 47,10,888                     | 39.75              | 10,70,594  | -   | -              | -   | -   | 70,753  | 9,99,841   | -  |
| ESOS 2017 – Special 2  | 22 November 2017              | 47,10,888                     | 38.75              | -  | 90,000                                    | -              | -   | -   | -   | 90,000   | -  |

|   |                   |
|---|-------------------|
| Method used to account for ESOS                                     | Fair Value Method |
| Options Exercised during FY 2019-20                                 | 4,359             |
| Share Capital Money received during the above period ( in ₹.)       | 4,359             |
| Share Premium Money received during the above period ( in ₹.)       | 1,76,321.55       |
| Perquisite Tax Amount collected during the aforesaid period( in ₹.) | 0.00              |
| Total amount collected during the aforesaid period ( in ₹.)         | 1,80,680.55       |

| 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. | Stock options shall vest on completion of one year from the grant date subject to the fulfilment of granting conditions. |
| 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  |

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

| Name           | Designation             | No. of options granted under ESOS 2017 (Special 2) | Exercise Price of options granted under ESOS 2017 (Special 2) (₹) | No. of options granted under ESOS 2016 (Grant VIII) | Exercise Price of options granted under ESOS 2016 (Grant VIII) (₹) |
|----------------|-------------------------|--|---|---|--|
| Kamal Mampilly | Chief - Human Resources | 90,000   | 38.75   | -   | -  |
| Deepali Jose   | General Manager         | -  | -   | 268   | 27.60  |

## 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 IV | 16.64                                  | 30 May 19 – 39.05<br>07 Aug 19 – 23.75 | 66%                 | 2                    | 0.46%              | 8.00%                   |
| ESOS 2016 - Grant I   | 13.45                                  | -                                      | 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 2016- Grant VIII | 7.96  | - | 36% | 3.2     | 2.20% | 5.80%       |
| ESOS 2017- Tranche 1  | 33.77 | - | 39% | 2.5     | 1.20% | 6.70%       |
| ESOS 2017 – Special 1 | 33.59 | - | 39% | 2.5-5.5 | 2.20% | 7.20%-7.70% |
| ESOS 2017- Tranche 2  | 10.74 | - | 39% | 2.5     | 2.20% | 6.50%       |
| ESOS 2017 – Special 2 | 12.43 | - | 39% | 2.5-5.5 | 2.58% | 6.30%-6.70% |

|  |  |
|--|--|
| 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 it 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.