

ANNEXURE-A TO BOARD'S REPORT

Disclosures for the financial year 2016-17, pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014

Sl. No.	Particulars	Remarks
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	Refer to Note No. 51- Standalone Financial Statements for 2016-17
B	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations is disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time	₹11.88
C	Details related to Employee Stock Option Scheme (ESOS)	
	i. A description of each ESOS that existed at any time during the year, including general terms and conditions of each ESOS	Details are provided in Annexure-A1
	ii. Method used to account for ESOS – Intrinsic or Fair Value	The Company has calculated the employee compensation cost using the intrinsic value method to account for Options granted under the Minda Employee Stock Option Scheme-2016 ("ESOS 2016")
	iii. Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Such expenses will increase by ₹18 Lacs Refer Note 51- Standalone Financial Statements for 2016-17
	iv. Option movement during the year (for each ESOS)	Details are provided in Annexure – A2
	v. Weighted-average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	N.A.
	vi. A description of the method and significant assumptions used during the year to estimate the fair value of options at the time of grant including the following information:	Intrinsic Value Method applied with the following assumptions:
	a) Risk-free interest rate	6.13% - 6.51%
	b) Expected option life	1.53 years - 1.85 years
	c) Expected volatility	27.92% - 43.62%
	d) Expected dividends	4.61% - 6.90%
	e) The price of underlying share in the market at the time of option grant	₹265.10 and ₹435.55 on 23 November 2016 and 21 March 2017 respectively
	f) Weighted average market price of Company's shares on NSE at the time of grant	₹268.58 and ₹436.05 on 23 November 2016 and 21 March 2017 respectively
	g) Methods used and assumptions made to incorporate effects of expected early exercise	Not Applicable
	h) How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The calculation of expected volatility is based on historical stock prices. Volatility was calculated using standard deviation of daily change in stock price.
	i) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	The expected life of share option is based on historical data. Future market conditions are not used for measurement of fair value.
	vii. Employee wise details of options granted to -	
	a) Senior Managerial Personnel;	Details are provided in Annexure – A3
	b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	Nil
	c) 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.	Nil

Notes:

- Pursuant to approval of the Members at the Annual General Meeting held on 11 August, 2016, the Company adopted Minda Employee Stock Option Scheme-2016 ("ESOS 2016")
- The Maximum number of options to be issued per employee in a fiscal year did not exceed 1% of the outstanding issued share capital, in the line with Regulation 6(3)(d) of SEBI (Share Based Employee Benefits) Regulations, 2014.

Annexures

Details related to ESOS

Annexure-A1

Sl. No.	Particulars	Minda Employee Stock Option Scheme-2016 ("ESOS 2016")
1	Date of shareholders' approval	11 August, 2016
2	Total number of options approved under ESOS	15,00,000*
3	Vesting requirements	Achieving target of market capitalisation of the Company on or before 31 March 2018
4	Exercise price or Pricing formula	₹180 (date of grant 23 November 2016) and ₹392 (date of grant 21 March 2017)
5	Maximum term of options granted	1 year from the date of vesting
6	Source of shares (primary, secondary or combination)	Primary
7	Variation in terms of options	Nil

* After considering sub-division of shares

Option movement during the year

Annexure-A2

Particulars	Minda Employee Stock Option Scheme-2016 ("ESOS 2016")
Number of options outstanding at the beginning of the year	Nil
Number of options granted during the year	Conditional grant of 986,750 options to subscribe 986,750 equity shares of ₹2/- each
Number of options forfeited / lapsed during the year	Nil
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
Loan repaid by the trust during the year from exercise price received	NA
Money realised by exercise of options (INR)	N.A.
Number of options outstanding at the end of the year	986,750 options to subscribe 986,750 equity shares of ₹2/- each
Number of options exercisable at the end of the year	NIL

Employee wise details of options granted to Senior Managerial Personnel

Annexure-A3

Sl. No.	Name	Designation	Number of options granted during the year	Exercise Price (In ₹)
1	Mr. J K Menon	CEO	60000	180
2	Mr. Sudhir Jain	Group CFO	60000	180
3	Mr. Pradeep Tewari	CEO	60000	180
4	Mr. Ravi Mehra	CEO	60000	180
5	Mr. Rakesh Kher	President	50000	180
6	Mr. Vikas Bajaj	President	50000	180
7	Mr. V. J. Rao	President	50000	180
8	Mr. Anadi Sinha	President	50000	180
9	Mr. Naveesh Garg	President	50000	180
10	Mr. R S Gupta	President	50000	180
11	Mr. Xabier Eskibel	President	50000	180
12	Mr. Arijit Dutta	President	50000	180
13	Mr. Rajeev Gandotra	President	50000	180
14	Mr. Muralidharan Menon	Vice President	42000	180
15	Mr. S. L. Gupta	Vice President	42000	180
16	Mr. Sunil Srivastava	Vice President	42000	180
17	Mr. Atul Swaroop	Vice President	42000	180
18	Mr. Nitesh Minda	General Manager	30000	180
19	Mr. Rajiv Kapoor	Group HR Head	32500	392
20	Mr. Parna Ghosh	Vice President	26250	392
21	Mr. Kundan K Jha	CEO	40000	392
Total			986750	