

Disclosure under Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”) for FY18.

Sl. No.	Particulars	
1.	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	27-Jul-2016 ⁽¹⁾
	b) Total number of options approved under ESOS	3,435,148
	c) Vesting requirements	<p>Grant – I</p> <ul style="list-style-type: none"> • At the end of 12 months from the grant date - 10% • At the end of 24 months from the grant date - 20% • At the end of 36 months from the grant date- 30% • At the end of 48 months from the grant date- 40% <p>Grant II</p> <ul style="list-style-type: none"> • At the end of 12 months from the grant date - 30% • At the end of 24 months from the grant date - 30% • At the end of 31 months from the grant date - 40% <p>Grant III</p> <ul style="list-style-type: none"> • At the end of 12 months from the grant date - 30% • At the end of 24 months from the grant date - 30% • At the end of 31 months from the grant date - 40%
	d) Exercise price or pricing formula	INR 10 per option
	e) Maximum term of options granted	Vested options can be exercised after August 1, 2020 and within a period of 2 years from that date.
	f) Source of shares (primary, secondary or combination)	Primary
	g) Variation of terms of options	None
2.	Method used to account for ESOS – Intrinsic or fair value	The employee compensation cost has been calculated using the fair value method of accounting for Options issued under the Company’s Employee Stock Option Schemes.
	a) The difference between the employee compensation cost so computed using Intrinsic Value method and the employee compensation cost that shall have been recognized if it had used the fair value of the options.	Not Applicable. Since the employee compensation cost has been calculated using the fair value method.
	b) The impact of this difference on profits and on EPS of the Company	Not Applicable. Since the employee compensation cost has been calculated using the fair value method.
3.	Option movement during the year (For each ESOS):	
	a) Number of options outstanding at the beginning of the period	1,220,240
	b) Number of options granted during the year	32,415

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	c) Number of options forfeited/lapsed during the year	28,508
	d) Number of options vested during the year	119,648
	e) Number of options exercised during the year	3,274
	f) Number of shares arising as a result of exercise of options	36,014 ⁽²⁾
	g) Money realized by exercise of options (INR), if scheme is implemented directly by the Company	32,740
	h) Loan repaid by the Trust during the year from exercise price received	N.A.
	i) Number of options outstanding at the end of the year	12,08,655
	j) Number of options exercisable at the end of the year	NIL
4.	Weighted-average exercise prices and weighted average fair values of options.	Weighted average exercise price per Option: INR 10 per option. Weighted average fair value per Option : Grant II : 03-Jan-18 : 1,137.85 Grant III : 29-Jan-18 : 1,209.35
5.	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –	
	a) Senior managerial personnel;	None
	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	None
	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.	None
6.	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	The fair value at grant date is determined using the Black Scholes Model.
	a) the weighted-average values of share price	Weighted average exercise price per Option: INR 672.01 (March 31, 2017: INR 215.91 (post bonus)).
	b) the weighted-average values of exercise price	Weighted average exercise price per Option: INR 10 per option.
	c) the weighted-average values of expected volatility	Grant-II : 03-Jan-18: 30.94% Grant-III : 29-Jan-18: 31.27%

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	d) the weighted-average values of expected option life	Grant-II : 03-Jan-18: 2.58 years Grant-III :29-Jan-18: 2.51 years																								
	e) the weighted-average values of expected dividends	Grant-II : 03-Jan-18: 0.25% Grant-III :29-Jan-18: 0.25%																								
	f) the weighted-average values of the risk-free interest rate	Grant-II :03-Jan-18: 6.91% Grant-III :29-Jan-18: 6.92%																								
	g) The method used and the assumptions made to incorporate the effects of expected early exercise	N.A.																								
	h) How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the Options and is based on the daily volatility of the Company's stock price on NSE. There are no market conditions attached to the grant and vest.																								
	i) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	N.A.																								
7.	<p>Disclosures in respect of grants made in three years prior to IPO under each ESOS 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.</p> <p>Details of grants made in three years prior to IPO under ESOP 2008 and ESOP 2016 as follows; ESOP 2008*</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>FY 2015-16</th> </tr> </thead> <tbody> <tr> <td>Date of Grant</td> <td>04-April-2016</td> </tr> <tr> <td>No. of Options granted</td> <td>2,096</td> </tr> <tr> <td>No. of Options Exercised</td> <td>524</td> </tr> <tr> <td>No. of Options Lapsed/ forfeited</td> <td>Nil</td> </tr> <tr> <td>No. outstanding option as on March 31, 2018</td> <td>1,572</td> </tr> </tbody> </table> <p><i>* Prior to bonus adjustment</i></p> <p>ESOP 2016</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>FY 2016-17</th> </tr> </thead> <tbody> <tr> <td>Date of Grant</td> <td>1-Aug-2016</td> </tr> <tr> <td>No. of Options granted</td> <td>1,216,000</td> </tr> <tr> <td>No. of Options Exercised</td> <td>Nil</td> </tr> <tr> <td>No. of Options Lapsed/ forfeited</td> <td>39,760</td> </tr> <tr> <td>No. outstanding option as on March 31, 2018</td> <td>11,76,240</td> </tr> </tbody> </table>	Particulars	FY 2015-16	Date of Grant	04-April-2016	No. of Options granted	2,096	No. of Options Exercised	524	No. of Options Lapsed/ forfeited	Nil	No. outstanding option as on March 31, 2018	1,572	Particulars	FY 2016-17	Date of Grant	1-Aug-2016	No. of Options granted	1,216,000	No. of Options Exercised	Nil	No. of Options Lapsed/ forfeited	39,760	No. outstanding option as on March 31, 2018	11,76,240	
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8.	Diluted Earnings Per Share (EPS) on issue of shares pursuant to issue of shares on exercise of option calculated	INR 10.01 per share.																								

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	in accordance with Ind AS 33 – “Earnings Per Share”.	
9.	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 same has been appropriately disclosed in the note 28 of the Standalone financial statements for the year ended March 31, 2018, which is available on the website of the Company viz., www.sisindia.com .

Notes:

- ⁽¹⁾ Shareholders of the Company have approved ESOP 2016 Scheme on July 27, 2016. Pursuant to the approval, the erstwhile ESOP 2008 scheme is terminated and the options granted under ESOP 2008 Scheme are governed by the ESOP 2016 Scheme except for the terms related to vesting and exercise which are subject to the conditions as specified in the individual notice of grants.
- ⁽²⁾ During the year ended March 31, 2018, 3,274 options issued to employees were exercised by them and equity shares allotted. Further, in terms of the ESOP 2008, the equity shares so allotted on exercise of the options shall be adjusted for the bonus issue of 10 shares for every 1 equity share announced by the Parent on July 27, 2016. Accordingly, a total number of 36,014 equity shares were allotted by the Company on exercise of 3,274 options by the employees.