

## **ESOP DISCLOSURE**

A. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time.

### **C. Details related to 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 – *ESOP 17- 30<sup>th</sup> Jun '2017, ESOP 18-4<sup>th</sup> Apr '2018*

(b) Total number of options approved under ESOS - ESOP-17-1867579, ESOP 18-2023697

(c) Vesting requirements - 12 months

(d) Exercise price or pricing formula – The grant price for the ESOS would be computed based on Average of closing price of equity shares of the bank during preceding 60 trading days of the grant date, on the NSE.

(e) Maximum term of options granted -

Options granted shall vest within the minimum period of 1 (One) year and maximum period of 5 (Five) years from the date of Grant of such Options. Maximum exercise period is 5 years from the date of vesting

(f) Source of shares (primary, secondary or combination) - Primary

(g) Variation in terms of options – Nil

(ii) Method used to account for ESOS - Intrinsic or fair value. – Fair Value

(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 recognized 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.

(iv) Option movement during the year (For each ESOS):

<b>Particulars</b>	<b>Details</b>
Number of options outstanding at the beginning of the period	20,17,445
Number of options granted during the year	20,89,164
Number of options forfeited / lapsed during the year	1,80,089
Number of options surrendered during the year	16,69,127
Number of options vested during the year	24,299
Number of options exercised during the year	1,14,071
Number of shares arising as a result of exercise of options	114071
Money realized by exercise of options (INR), if scheme is implemented directly by the company	11,40,710
Loan repaid by the Trust during the year from exercise price received	NA
Number of options outstanding at the end of the year	21,43,322
Number of options exercisable at the end of the year	24,299

(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.

(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -

(a) senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

<b>Name</b>	<b>Designation</b>	<b>Options under ESOP 2017</b>	<b>Stock units under RSU 2017</b>	<b>Options under ESOP 2018</b>	<b>Stock units under RSU 2018</b>
Ajay Kanwal	MD & CEO	5,67,647	24,511	Nil	Nil
<b>Key Managerial Personnel</b>					

Abhilash Sandur	SVP2	18,080	Nil	14,336	118
Lakshmi R N	SVP2	210	Nil	4,867	74
<b>Senior Management Personnel</b>					
Sumit Aggarwal	President	1,04,103	3,470	14,263	Nil
Krishnan Subramania Raman	President	89,294	Nil	18,851	2,319
Gopal Tripathi	President	13,048	Nil	29,110	4,039
Rincoo Ji Vachha	EVP	10,514	Nil	24,148	850
Sudhir Madhavan	President	7,886	Nil	22,607	1,815
Ashish Gopal Saxena	President	Nil	Nil	29,767	1,569
Rajesh Rao	President	Nil	Nil	32,584	1,400
Shrinivas Murty J	President	10,325	Nil	10,668	344
Satish G R	EVP	2,629	Nil	7,630	414
Mahalingam Ramachandran	President	2,629	Nil	7,438	207
Chitra Menon	EVP	526	Nil	9,625	393
Amit Bakshi	EVP	26334	●	2333	7435
Pradeep James Rebello	SVPI	Nil	Nil	12,799	518

- (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
- (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.

(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

Particulars	ESOP 2017 & 2018	ESOP (RSU) 2017 & 2018
<b>Variables</b>		
1. Risk free interest rate	6.92% - 7.10%	6.96% - 7.01%
2. Expected life (in years)	5.0	3.5
3. Expected volatility	41.85%- 45.55%	39.11%- 40.36%
4. Dividend yield	0.00%	0.00%
5. The weighted average fair value of options granted ₹	152.84	348.46

- (a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;
- (b) the method used and the assumptions made to incorporate the effects of expected early exercise;
- (c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and
- (d) whether and how any other features of the options granted 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 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.