

Disclosure in accordance with the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014

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.

Please refer notes to the financial statement for the year ended March 31, 2019

Disclosure of Diluted Earnings Per Share on issue of shares pursuant to all the schemes covered under the regulations in accordance with applicable 'Accounting Standard - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

Diluted EPS for the year ended March 31, 2019 is Rs. 1.15

Details related to ESOS

i) Status of Employee Stock Options Plans(s)

S. No.	Particulars	Employee Stock Options Plan (ESOP) - 2010	Employee Stock Options Plan (ESOP) - 2011	Employee Stock Options Plan (ESOP) -2016
1.	Date of Shareholders Approval	June 30, 2010	April 26, 2011	August 9, 2016
2.	Total Number of Options approved the Scheme	3 million	100 million	40 million
3.	Vesting requirements	Options granted under all the Plan(s) would vest not less than 12 Months and not more than 60 months from the date of grant.		
4.	Exercise Price or Exercising Formula	Please refer Note 1		Please refer Note 2
5.	Maximum term of the Options granted	60 months from the date of vesting		
6.	Source of Shares	Primary		Please refer Note 2
7.	Variation	During the year 2018-19, there was no variation in any of the Schemes.		Please refer Note 2

- ii) Method used to account for ESOP – Intrinsic Value Method
- iii) Difference, if any, between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation (calculated on the basis of fair value of options):

The Company has prepared its financials basis IndAS and calculated the employee compensation cost using fair value options and there is no difference.

iv) **Option movement during the year 2018-19**

Particulars	ESOP Plan 2010	ESOP Plan 2011
Total Number of Options outstanding at the beginning of the period	1,473,000	33,451,874
Total Number of Options Granted (During FY 2018-19)	-	4,153,750
Options Lapsed/Forfeited (During FY 2018-19)	10,150	1,809,175
Number of Options Vested (During FY 2018-19)	-	11,148,648
No. of Options Exercised (During FY 2018-19)	1,462,850	15,207,822
Total Number of Shares arising as a result of Exercise of the Options	1,462,850	15,207,822
Money realized by Exercise of Options (INR) (During FY 2018-19)	72,286,446	603,033,690
Loan repaid by the Trust during the year from exercise price received	Not applicable since the ESOP Plans are implemented directly by the Company.	
Total Number of Options outstanding at the end of the year	-	20,588,627
Total Number of Options Exercisable at the end of the year	-	10,555,675

v) **a) Weighted average exercise prices**

Following summarizes the information about stock options outstanding as at March 31, 2019:

Plan	ESOP Scheme 2010	ESOP Scheme 2011
As at 31 March 2019		
- Range of exercise price	Rs. 41.40 to Rs. 61	Rs. 27.35 to Rs. 189.85
- Number of shares arising out of options	1,473,000	33,451,874
- Weighted average life of Outstanding options (in years)	0.81	4.49
Weighted average exercise prices of stock Options (in Rs.)		
- outstanding at the beginning of the year	49.41	57.84
- granted during the year	N.A.	294.67
- forfeited/cancelled during the year	48.56	122.76
- exercised during the year	49.41	39.65
- outstanding at the end of the year	N.A.	117.34
- exercisable at the end of the year	N.A.	51.27

b) Weighted-average fair values of Options is Rs. 112.57

vi) **Employee wise details of options granted during the year 2018-19:**a) **Details of the Options granted to Key Managerial Personnel**

Particulars	Options granted under ESOP 2011 Scheme	Exercise Price (Rs.)
Mr. Himanshu Kaji (Executive Director)	70,000	314.40
Mr. Rujan Panjwani (Executive Director)	20,000	314.40
Mr. S. Ranganathan (Chief Financial Officer)	30,000	314.40
Mr. B. Renganathan (Executive Vice President & Company Secretary)	2500	314.40

- b) Identified employees who were granted Options, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant – None
- c) Any other employee who received a grant during the year of amounting to 5% or more of the options granted during the year - Yes

Name of the Employee	Designation	Options granted under ESOP 2011 Scheme	Exercise Price
Varun Bajpai	President & Deputy CEO - Capital Markets & Advisory	400,000	Rs. 293.75
Mr. Nitin Jain	CEO - Global Wealth and Asset Management	3,25,000	Rs. 314.40

vii) **Methods and Significant assumptions made during the year to estimate the fair value of options:**

Using the Black - Scholes Option Pricing Model, the Company has estimated the volatility based on historical market volatility. The various assumptions considered in the pricing model for the aforementioned ESOP's granted are:

- Risk-free interest rate - 6.0%-8.5%
- Expected life - 1 - 4 years
- Expected volatility - 33% - 54%
- Expected dividend yield - 0.4% - 3.1%

Notes

1. Pricing Formula: ESOP Scheme(s) 2010 & 2011 - The Exercise price of the Vested Options will be higher of the closing market price of the shares on the date of the Grant or Book Value of the shares as per the last audited balance sheet as on the date of the Grant.
2. There was no grant of options under Edelweiss Employee Stock Option Plan 2016.

DETAILS RELATED TO GENERAL EMPLOYEE BENEFITS SCHEME (GEBS)
(i) Description of GEBS

The Company has formed the following Trusts in order to provide Incentives and General Welfare Benefits for the benefit of the Beneficiaries:

- Edelweiss Employees' Welfare Trust; and
- Edelweiss Employees' Incentives and Welfare Trust.

Trusts	Edelweiss Employees' Welfare Trust	Edelweiss Employees' Incentives and Welfare Trust
Date of shareholders' approval	July 21, 2015	July 21, 2015
Kind of benefits to be granted under the scheme	Direct or indirect benefits and incentives programmes, <i>inter alia</i> including Medical assistance/healthcare benefits for their own and/ or their dependents, Financial assistance to spouse/children in the event of death of the Beneficiary, Loans to the beneficiaries for their own and/or their dependent(s) wedding and Scholarships for the Beneficiaries and/or their dependent children/wards (not exceeding two in number) for higher education in India and/or abroad etc.	
Beneficiaries of the scheme	Has the meaning attributed to such term in the SEBI Regulations, as amended from time to time.	
Total assets of the scheme	Nil	
Quantum of holding in own shares*	3,75,95,270	73,01,510
Whether scheme is in compliance of regulation 26(2) / 27(3) of the regulations, as applicable	Yes	
Variation in terms of the scheme	The Deed(s) were amended to provide for the use of the Trusts for General Benefits of the Beneficiaries/Employees.	

*The Quantum of holding is not in connection with or related with any of the Edelweiss Employees Stock Option Plan(s) of the Company.

DETAILS RELATED TO TRUST**(i) General information**

S. No.	Particulars	Details	
1	Name of the Trust	Edelweiss Employees' Welfare Trust	Edelweiss Employees' Incentives and Welfare Trust
2	Details of the Trustee(s)	Mr. Nikhilesh Panchal Mr. R. P Soni Mr. Gaurang Tailor	Mr. R. P Soni Mr. Nikhilesh Panchal Ms. Shilpa Gattani
3	Amount of loan disbursed by company / any company in the group, during the year	-	-
4	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	Rs. 1,104,954,419	Rs. 241,617,547
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	-	-
6	Any other contribution made to the Trust during the year	-	-

(ii) Brief details of transactions in shares by the Trust

S.No.	Particulars	Details	
		Edelweiss Employees' Welfare Trust	Edelweiss Employees' Incentives and Welfare Trust
1.	Number of shares held at the beginning of the year	3,75,95,270*	73,01,510*
2.	Number of shares acquired during the year through	-	-
	primary issuance	-	-
	secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share;	-	-

3.	Number of shares transferred to the employees / sold along with the purpose thereof	-	-
4.	Number of shares held at the end of the year	3,75,95,270*	73,01,510*

**The shares held are not in connection with or related with any of the Edelweiss Employees Stock Option Plan(s) of the Company.*

(iii) In case of secondary acquisition of shares by the Trust - Not Applicable

For Edelweiss Financial Services Limited

Sd/-

Rashesh Shah

Chairman, Managing Director & CEO

DIN No. 00008322

May 14, 2019
Mumbai