

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, 2020

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, 2020 is Rs. 0.92

Details related to ESOS

i) **Status of Employee Stock Options Plans(s)**

S. No.	Particulars	Employee Stock Options Plan (ESOP) - 2011	Employee Stock Appreciation Rights Plan, 2019
1	Date of Shareholders Approval	April 26, 2011	April 30, 2019
2	Total Number of Options approved the Scheme	100 million	40 million
3	Vesting requirements	Options granted under the Plan(s) would vest not less than 12 Months and not more than 60 months from the date of grant.	Options granted under all the Plan would vest not less than 12 Months and not more than 96 months from the date of grant.
4	Exercise Price or Exercising Formula	Please refer Note 1	Please refer Note 1
5	Maximum term of the Options granted	60 months from the date of vesting	96 months from the date of vesting.
6	Source of Shares	Primary	Primary
7	Variation	During the year 2019-20, there was no variation in Scheme.	During the year 2019-20, there was no variation in Scheme.

Notes

1. Pricing Formula: ESOP Scheme(s) 2010 & 2011 and SAR Plan, 2019 - The Exercise price of the Vested Options or SARs 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. The Employee Stock Option Plan 2016 has not been implemented

ii) Method used to account for ESOP – Fair Value Method

iii) Difference, if any, between employee compensation cost: **Not applicable**

iv) Option movement during the year 2019-20

Particulars	ESOP Plan 2011	SAR Plan, 2019
Total Number of Options outstanding at the beginning of the period	20,588,627	-
Total Number of Options Granted (During FY 2019-20)	4,085,000	11,625,000
Options Lapsed/Forfeited (During FY 2019-20)	1,800,175	395,000
Number of Options Vested (During FY 2019-20)	41,30,814	-
No. of Options Exercised (During FY 2019-20)	1,746,763	-
Total Number of Shares arising as a result of Exercise of the Options	1,746,763	
Money realized by Exercise of Options (INR) (During FY 2019-20)	8,25,68,926	-
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	21,126,689	11,230,000
Total Number of Options Exercisable at the end of the year	11,241,676	-

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

Following summarizes the information about stock options outstanding as at March 31, 2020:

Plan	ESOP Scheme 2011	SAR,2019
Weighted average exercise prices of stock Options (in Rs.)		
- outstanding at the beginning of the year	117.34	-
- granted during the year	168.04	180.26
- forfeited/cancelled during the year	127.91	180.65
- exercised during the year	47.27	
- outstanding at the end of the year	131.80	178.75
- exercisable at the end of the year	78.74	-

4 b) **Weighted-average fair values of Options is Rs. 81.21 and that of SARs is 85.08.**

vi) **Employee wise details of options granted during the year 2019-20:**a) **Details of the Options granted to Key Managerial Personnel**

Particulars	Options granted under ESOP 2011 Scheme	Exercise Price (Rs.)	SARs granted	SAR Exercise Price (Rs.)
Mr. Himanshu Kaji (Executive Director)	150000	170.60	400000	180.65
Mr. Rujan Panjwani (Executive Director)	150000	170.60	400000	180.65
Mr. S. Ranganathan (Chief Financial Officer)	15000	170.60	100000	180.65
Mr. B. Renganathan (Company Secretary)	2500	170.60	-	-

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
Mr. Nitin Jain	President	250000	170.60

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:

	ESOP 2011	SAR 2019
Risk-free interest rate	5.4% - 8.5% p.a.	5.4% - 6.9% p.a.
Expected life	1-4 years	2-6 years
Expected volatility	35% - 62% p.a.	56% - 62% p.a.
Expected dividend yield	0.4% - 3.1% p.a.	0.66% - 0.67% p.a.

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 Natwarlal Panchal Mr. Ram Prasad Soni Mr. Gaurang Tailor	Ms. Shilpa Soti Mr. R. P Soni Mr. Nikhilesh Panchal
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. 1,095,028,419	Rs. 239,646,547
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

July 4, 2020
Mumbai

Sd/-
Rashesh Shah
Chairman, Managing Director & CEO
DIN No. 00008322