

<b>Disclosures required under SEBI (Share Based Employee Benefits) Regulations, 2014</b>		
	The Board of Directors in their report shall disclose any material change in the scheme(s) and whether the scheme(s) is / are in compliance with the regulations	The Scheme is in compliance with the Regulations. Further, there has been no material change in the Scheme.
<b>A</b>	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	Deferred employee stock compensation cost for stock options is recognised as per the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India.
<b>B</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 ICAI or any other relevant accounting standards as prescribed from time to time	Diluted EPS for the financial year 2016-17: Re 0.14. The same is disclosed as per AS-20 of ICAI in the Accounts of the Company
<b>C</b>	<b>Details related to ESOS</b>	
<b>(i)</b>	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	7 <sup>th</sup> September 2015
	(b) Total number of options approved under Equitas Employee Stock Option Scheme, 2015 (including outstanding options carried forward from earlier Equitas Employee Stock Option Scheme)	4,43,38,221
	(c) Vesting requirements	Options granted by the Company would vest with the employee subject to the employee continuing in the employment of the Company and compliance with the terms of Equitas ESOS, 2015 as laid down by the Nomination, Remuneration and Governance Committee. The vesting shall commence any time after the expiry of one year from the date of the grant of the Options to the eligible employee and could extend up to six years from the date of the grant of the Options. The Options could vest in tranches.

	(d) Exercise price or pricing formula	The Nomination, Remuneration & Governance Committee approves the grant of options to eligible employees from time to time. The grant price will be based on the closing price of the stock on the previous day, in the Stock Exchange where the volume of trade has been the highest.
	(e) Maximum term of options granted	The vesting can extend upto six years from the date of grant of options.
	(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.	Intrinsic 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.	The impact on the difference in profits during the financial year 2016-17: The Profits will be lower by ₹ 2,950.09 lakhs. The impact on the EPS during the financial year 2016-17 is ₹(0.89). The above have been disclosed in the Notes to accounts of the Company.
(iv)	Option movement during the year (For each ESOS):	<b>Refer Annexure - 1</b>
(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.	Weighted average exercise price and weighted average fair value of options are ₹ 175.33 per share and ₹ 174.87 per share respectively. The weighted average exercise price is higher than the market price of the shares.
(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; (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.	(a) 27,000 options were granted during the year to Mr Bhaskar S, ED & CEO at an exercise price of ₹184. (b) Nil  (c) - Nil

<b>(vii)</b>	<p>A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information</p> <p>(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;</p> <p>(b) the method used and the assumptions made to incorporate the effects of expected early exercise;</p> <p>(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and</p> <p>(d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.</p>	<p><b>Disclosed in Annexure 2.</b> (Please refer Notes to Accounts 3.6 (b) Employee Stock Option Scheme, of Annual Accounts of the Company).</p>
	<p><b>Disclosures in respect of grants made in three years prior to IPO under each ESOS</b></p>	
<b>(i)</b>	<p>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><b>Disclosed in Annexure 2.</b> (Please refer Notes to Accounts 3.6 (a) Employee Stock Option Scheme, of Annual Accounts of the Company).</p>
<b>D</b>	<p><b>Details related to ESPS</b></p>	<p>Not applicable</p>
<b>(i)</b>	<p>The following details on each ESPS under which allotments were made during the year:</p> <p>(a)Date of shareholders' approval</p> <p>(b)Number of shares issued</p> <p>(c)The price at which such shares are issued</p> <p>(d)Lock-in period</p>	
<b>(ii)</b>	<p>The following details regarding allotment made under each ESPS, as at the end of the year</p>	
	<p><b>Particulars</b></p>	<p><b>Details</b></p>
	<p>The details of the number of shares issued under ESPS</p>	<p>Not applicable</p>
	<p>The price at which such shares are issued</p>	
	<p>Employee-wise details of the shares issued to;</p>	
	<p>(i) senior managerial personnel;</p>	
	<p>(ii) any other employee who is issued shares in any one year amounting to 5% or more shares issued during that year;</p>	
	<p>(iii) identified employees who were issued shares during any one year equal to or exceeding 1% of the issued capital of the company at the time of issuance;</p>	

	Consideration received against the issuance of shares, if scheme is implemented directly by the company	
	Loan repaid by the Trust during the year from exercise price received	
<b>E</b>	<b>Details related to SAR</b>	Not applicable
<b>(i)</b>	A description of each SAR scheme that existed at any time during the year, including the general terms and conditions of each SAR scheme, including - (a) Date of shareholders' approval (b) Total number of shares approved under the SAR scheme (c) Vesting requirements (d) SAR price or pricing formula (e) Maximum term of SAR granted (f) Method of settlement (whether in cash or equity) (g) Choice of settlement (with the company or the employee or combination) (h) Source of shares (primary, secondary or combination) (i) Variation in terms of scheme	
<b>(ii)</b>	Method used to account for SAR - Intrinsic or fair value.	
<b>(iii)</b>	Where the company opts for expensing of SAR using the intrinsic value of SAR, 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 SAR, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	
<b>(iv)</b>	SAR movement during the year (For each SAR scheme):	
	<b>Particulars</b>	<b>Details</b>
	Number of SARs outstanding at the beginning of the year	Not applicable
	Number of SARs granted during the year	
	Number of SARs forfeited / lapsed during the year	
	Number of SARs vested during the year	
	Number of SARs exercised / settled during the year	
	Number of SARs outstanding at the end of the year	
	Number of SARs exercisable at the end of the year	
<b>(v)</b>	Employee-wise details (name of employee, designation, number of SAR granted during the year, exercise price) of SAR granted to -	
	(a) senior managerial personnel;	

	(b) any other employee who receives a grant in any one year of amounting to 5% or more of SAR granted during that year; and	
	(c) identified employees who were granted SAR, 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.	
	<b>Disclosures in respect of grants made in three years prior to IPO under each SAR scheme</b>	
(i)	Until all SARs 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 SARs shall also be made	Not applicable
<b>F</b>	<b>Details related to GEBS / RBS</b>	
(i)	A description of each GEBS / RBS scheme that existed at any time during the year, including the general terms and conditions of each such scheme, including- (a) Date of shareholders' approval (b) Kind of benefits to be granted under the scheme (c) Beneficiaries of the scheme (d) Total assets of the scheme (e) Quantum of holding in own shares / listed holding company shares (both absolute and in percentage) (f) Whether scheme is in compliance of regulation 26(2)/27(3) of the regulations, as applicable (g) Variation in terms of scheme	Not Applicable
<b>G</b>	<b>Details related to Trust</b>	
	The following details, inter alia, in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are to be disclosed	Not Applicable
(i)	<b>General information on all schemes</b>	
<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
<b>1</b>	Name of the Trust	Not Applicable
<b>2</b>	Details of the Trustee(s)	
<b>3</b>	Amount of loan disbursed by company / any company in the group, during the year	
<b>4</b>	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	
<b>5</b>	Amount of loan, if any, taken from any other source for which company / any company in the group has	

	provided any security or guarantee	
<b>6</b>	Any other contribution made to the Trust during the year	
<b>(ii)</b>	<b>Brief details of transactions in shares by the Trust</b>	
	(a) Number of shares held at the beginning of the year;	Not Applicable
	(b) Number of shares acquired during the year through (i) primary issuance (ii) 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;	
	(c) Number of shares transferred to the employees / sold along with the purpose thereof;	
	(d) Number of shares held at the end of the year	
<b>(iii)</b>	<b>In case of secondary acquisition of shares by the Trust</b>	
	<b>Number of shares</b>	<b>As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained</b>
	Held at the beginning of the year	Not Applicable
	Acquired during the year	
	Sold during the year	
	Transferred to the employees during the year	
	Held at the end of the year	

**For and on behalf of the Board of Directors**

**Chennai**  
**May 5, 2017**

**Bhaskar S**  
**Executive Director & CEO**

**Rangachary N**  
**Chairman**

## Annexure – 1

<b>Particulars</b>	<b>Total</b>
Number of options outstanding at the beginning of the period	4,33,55,425
Number of options granted during the year	1,93,85,700
Number of options forfeited / lapsed during the year	55,66,843
Number of options vested during the year	28,96,582
Number of options exercised during the year	24,38,834
Number of shares arising as a result of exercise of options	24,38,834
Money realized by exercise of options (INR), if scheme is implemented directly by the company	₹1051.96 lakh
Loan repaid by the Trust during the year from exercise price received	-
Number of options outstanding at the end of the year	4,09,16,591
Number of options exercisable at the end of the year	36,58,555

**For and on behalf of the Board of Directors**

**Chennai  
May 5, 2017**

**Bhaskar S  
Executive Director & CEO**

**Rangachary N  
Chairman**





**Equitas Holdings Limited**
**Notes forming part of the financial statements for the year ended 31 March 2017**

Particulars	Grant 13	Grant 14	Grant 15	Grant 16	Grant 17	Grant 18	Grant 19	Grant 20	Grant 21	Grant 22	Grant 23	Grant 24
Date of Grant	15-Nov-13	9-May-14	12-Nov-14	7-May-15	7-Aug-15	6-Nov-15	1-Jul-16	4-Jul-16	5-Aug-16	10-Sep-16	21-Oct-16	1-Feb-17
Exercise Price Per Option (Rs) post bonus options	40.00	43.34	55.00	65.00	70.00	70.00	178.00	184.00	173.00	182.00	183.00	165.00
Total Options granted and outstanding as at 1	1,262,734	1,693,758	2,511,379	1,727,350	2,184,700	3,924,450	-	-	-	-	-	-
Options granted during the period	-	-	-	-	-	-	7,597,900	838,500	1,840,150	2,007,200	2,038,500	5,063,450
Less: Options Forfeited / Lapsed	171,693	352,237	573,290	432,114	381,741	951,904	1,158,850	-	291,500	311,200	315,100	327,650
Options Exercised	453,529	317,619	306,877	90,465	27,596	59,936	-	-	-	-	-	-
Options Outstanding as at 31 March 2017	637,512	1,023,902	1,631,212	1,204,771	1,775,363	2,912,610	6,439,050	838,500	1,548,650	1,696,000	1,723,400	4,735,800
vested	398,924	453,242	795,112	262,921	464,053	721,435	-	-	-	-	-	-
yet to vest	238,588	570,660	836,100	941,850	1,311,310	2,191,175	6,439,050	838,500	1,548,650	1,696,000	1,723,400	4,735,800

\*The exercise price is before bonus issue.

**Equitas Holdings Limited**

**Notes forming part of the financial statements for the year ended 31 March 2017**

(b) The fair value of options used to compute Proforma net profit and earnings per Equity Share have been estimated on the date of the grant, using Black-Scholes model by an external firm of Chartered Accountants.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of the grant are:

Variables	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5	Grant 6	Grant 7	Grant 8	Grant 9	Grant 10	Grant 11	Grant 12
	Date of Grant											
	26-Feb-08	9-Jun-08	1-Nov-08	22-Apr-09	28-Oct-09	26-Apr-10	27-Oct-10	13-May-11	2-Nov-11	9-May-12	7-Nov-12	4-May-13
Risk Free Interest Rate	8.50%	8.75% to 9%	9.75%	8.25%	6.75% to 7%	6.50% to 7.25%	7.25% to 7.50%	7.9% to 8.05%	8.40% to 8.65%	8.01% to 8.25%	7.89% to 8%	7.12% to 7.23%
Expected Life	3.33 to 5.33 yrs	3.33 to 5.33 yrs	3.33 to 5.33 yrs	3.33 to 5.33 yrs	3.33 to 5.33 yrs	3.33 to 5.33 yrs	3.33 to 5.33 yrs	2.58 to 5.58 yrs	2.58 to 5.58 yrs	2.58 to 5.58 yrs	2.67 to 5.67 yrs	2.67 to 5.67 yrs
Expected Volatility	43% to 45%	43% to 45%	41% to 47%	42% to 44%	37% to 44%	37% to 40%	35% to 40%	38% to 41%	38% to 40%	39% to 42%	38% to 42%	33% to 37%
Dividend Yield	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Price of the underlying Share at the time of the Option Grant (₹) adjusted after bonus option	10.00	12.00	10.67	12.00	26.67	33.34	40.00	40.00	40.00	40.00	40.00	40.00
Fair Value of the Option (₹) after adjustment of bonus option												
1 <sup>st</sup> Stage	0.63	3.14	4.06	2.75	2.08	6.75	8.70	9.41	9.34	3.28	3.87	2.92
2 <sup>nd</sup> Stage	0.81	3.91	5.07	3.18	2.56	8.34	10.83	11.66	12.20	4.41	4.84	5.07
3 <sup>rd</sup> Stage	1.00	4.02	5.76	3.85	3.78	10.09	13.06	13.79	14.26	6.00	6.65	6.31
4 <sup>th</sup> Stage	1.32	4.70	6.12	4.56	5.38	12.27	15.84	16.11	16.19	7.25	7.97	7.99

**Equitas Holdings Limited**
**Notes forming part of the financial statements for the year ended 31 March 2017**

Variables	Grant 13	Grant 14	Grant 15	Grant 16	Grant 17	Grant 18	Grant 19	Grant 20	Grant 21	Grant 22	Grant 23	Grant 24
	Date of grant											
	15-Nov-13	9-May-14	12-Nov-14	7-May-15	7-Aug-15	6-Nov-15	1-Jul-16	4-Jul-16	5-Aug-16	10-Sep-16	21-Oct-16	1-Feb-17
Risk Free Interest Rate	8.50% to 8.68%	8.38% to 8.60%	8.50% to 8.68%	7.74% to 7.79%	7.69% to 7.89%	7.43% to 7.64%	7.03% to 7.34%	7.03% to 7.32%	6.78% to 7.04%	6.71% to 6.91%	6.70% to 7.00%	6.45% to 6.84%
Expected Life	2.64 to 5.67 yrs	2.64 to 5.67 yrs	2.64 to 5.67 yrs	2.67 to 5.67 yrs	2.67 to 5.67 yrs	2.67 to 5.67 yrs	2.50 to 5.50 yrs	2.58 to 5.58 yrs	2.58 to 5.58 yrs	2.58 to 5.58 yrs	2.50 to 5.50 yrs	2.58 to 5.58 yrs
Expected Volatility	34% to 39%	33% to 38%	35% to 39%	33% to 37%	36% to 39%	33.80% to 37%	23.60% to 26%	23.40% to 26%	22.80% to 26%	22% to 25%	23.10% to 39.20%	22.20% to 24.70 %
Dividend Yield	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Price of the underlying Share at the time of the Option Grant (₹) after adjustment of bonus options	40.00	43.34	55.00	65.00	70.00	70.00	177.70	183.75	172.10	181.75	182.50	164.35
Fair Value of the Option (₹)												
1 <sup>st</sup> Stage	4.34	8.56	7.80	10.46	16.73	16.00	40.66	42.76	38.63	40.22	40.45	35.88
2 <sup>nd</sup> Stage	7.08	11.59	11.66	14.58	20.61	18.79	53.39	55.99	51.40	53.26	52.49	47.18
3 <sup>rd</sup> Stage	8.53	13.38	14.41	18.40	25.33	23.55	61.83	64.60	59.26	62.47	61.08	55.01
4 <sup>th</sup> Stage	9.93	15.68	16.50	20.67	27.90	26.87	70.45	73.44	67.35	70.88	87.23	63.46

**Equitas Holdings Limited****Notes forming part of the financial statements for the year ended 31 March 2017**

- (c) Had compensation cost for the stock options granted under the Scheme been determined based on the fair value approach, the Company's net profit / (loss) and earnings per share would have been as per the Proforma amounts indicated below:

<b>Particulars</b>	<b>For the year ended 31 March 2017 ₹ in lakh</b>	<b>For the year ended 31 March 2016 ₹ in lakh</b>
Net Profit as per Statement of Profit and Loss (as reported)	468.17	211.63
Add: Stock Based Employee Compensation Expense included in profit before tax	-	-
Less: Stock Based Compensation Expense Determined under Fair Value based Method (Proforma)	2,950.09	487.28
<b>Net (Loss) (Proforma)</b>	<b>(2,481.92)</b>	<b>(275.65)</b>

  

<b>Particulars</b>	<b>For the year ended 31 March 2017</b>	<b>For the year ended 31 March 2016</b>
Basic Earnings per Share of ₹ 10 each (as reported)	0.14	0.08
Basic Earnings per Share of ₹ 10 each (Proforma)	(0.75)	(0.10)
Diluted Earnings per Share of ₹ 10 each (as reported)	0.14	0.08
Diluted Earnings per Share of ₹ 10 each (Proforma)	(0.73)	(0.10)

For and on behalf of the Board of Directors

Chennai  
05-May-17

**Bhaskar S**  
Executive Director & CEO

**Rangachary N**  
Chairman