

Annexure - 9

The Disclosures pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 are detailed under: For the FY 2019-20:

Sl. No.	Particulars	Status of compliance
1	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 SEBI (Share Based Employee Benefits) Regulations, 2014. Refer to page No. 32 of 24th Annual Report of the Company.
2	Further, the following details, inter alia, shall be disclosed on the company's website and a web-link thereto shall be provided in the report of board of directors.	
A.	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.	Disclosed in Notes to the Financial Statements - Note 37 to Standalone Financials for the year ended March 31, 2020, page no. 130 of 24th Annual Report of the Company. (Disclosure are provided in accordance with Ind AS 102, Share-based Payment)
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.	Refer to page nos. 134 and 190 of the Annual Report for disclosure of Diluted EPS at standalone and consolidated levels.
C.	Details related to Employees Stock Option Scheme (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 - TANLA ESOP 2015.	
	(a) Date of shareholders' approval	September 16, 2015
	(b) Total number of options approved under ESOS	50,00,000
	(c) Vesting requirements	<ul style="list-style-type: none"> • 30% of the Granted Options on completion of 1 year from the date of Grant. • 15% of the Granted Options on completion of 2 years from the date of Grant. • 15% of the Granted Options on completion of 3 years from the date of Grant. • 15% of the Granted Options on completion of 4 years from the date of Grant. • 25% of the Granted Options on completion of 5 years from the date of Grant.
	(d) Exercise price or pricing formula	Options have been granted at Rs. 26.51/- per option (Grant Price) during the FY 2015-16.
	(e) Maximum term of options granted	5 years
	(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.	The Company has calculated employee compensation cost using the 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.	Not Applicable

(iv)	Option movement during the year (for each ESOS):	
	Number of options outstanding at the beginning of the Period	13,81,100
	Number of options granted during the year	Nil
	Number of options forfeited / lapsed during the year	1,78,345 (These are no. of options lapsed due to the employees leaving the organisation and options deducted from vested on performance basis)
	Number of options vested during the year	4,99,245
	Number of options exercised during the year	2,25,360
	Number of shares arising as a result of exercise of options	2,25,360
	Money realized by exercise of options (INR), if scheme is implemented directly by the company	Rs. 59,74,294/-
	Loan repaid by the Trust during the year from exercise price received	Not Applicable
	Number of options outstanding at the end of the year	11,55,740
	Number of options exercisable at the end of the year	2,22,795
(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.	Not Applicable
(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;	NIL
	(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	NIL
	(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.	NIL
(vii)	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	
	(a) i). the weighted-average values of share price,	Not Applicable
	ii). exercise price,	Not Applicable
	iii). expected volatility,	Not Applicable
	iv). expected option life,	Not Applicable
	v). expected dividends,	Not Applicable
	vi). the risk-free interest rate and	Not Applicable
	vii). any other inputs to the model;	Not Applicable
	(b) the method used and the assumptions made to incorporate the effects of expected early exercise;	NIL
	(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The scheme was drawn up in accordance with the then guidelines of SEBI as such this assumption was not applicable.
	(d) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	Same as above.

Details related to ESPS

(i) The following details on each ESPS under which allotments were made during the year:

- (a) Date of shareholders' approval: September 17, 2018
- (b) Number of shares issued: 80,00,000
- (c) The price at which such shares are issued: Re. 1/-
- (d) Lock-in period: 1 year from the date of allotment

(ii) The following details regarding allotment made under each ESPS, as at the end of the year:

Particulars	Details
The details of the number of shares issued under ESPS	60,00,000 Equity Shares issued during the year under ESPS 2018
The price at which such shares are issued	Re. 1/-
Employee-wise details of the shares issued to;	
(i) senior managerial personnel;	Not Applicable
(ii) any other employee who is issued shares in any one year amounting to 5% or more shares issued during that year;	Mr. Deepak Satyapraksh Goyal (32,40,000 Equity Shares were issued, which is 10.68% of total 3,03,44,872 equity shares issued during the year.
(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;	Mr. Deepak Satyapraksh Goyal (32,40,000 Equity Shares were issued, which is 2.25% of total issued capital of 14,36,84,776 at the time of issuance.)
Consideration received against the issuance of shares, if scheme is implemented directly by the company	Rs. 60,00,000/-
Loan repaid by the Trust during the year from exercise price received	Not Applicable

On behalf of the Board of Directors of
Tanla Solutions Limited

Sd/-
D. Uday Kumar Reddy
Chairman & Managing Director
(DIN: 00003382)

Date: September 01, 2020
Place: Hyderabad