

DISCLOSURES PURSUANT TO REGULATION 14 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 READ WITH SEBI CIRCULAR DATED JUNE 16, 2015 ON ESOP DISCLOSURES AS ON MARCH 31, 2020

The Employees' Stock Option Scheme of the Company - AACL Employees Stock Option Plan 2018 (ESOP – 2018) is in compliance with the Regulations.

(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

Disclosure is provided in Notes to Audited Financial Statements for the year ended March 31, 2020.

(B) Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20

Not applicable. No shares have been issued during the year under review under ESOP 2018.

(C) Details related to Employees' Stock Option Scheme ("ESOS") (ESOP 2018)

i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of ESOS i.e. ESOP, 2018 is summarized as under:

Particulars

a) Date of shareholders' approval	ESOP 2018 was approved by the shareholders by Special Resolution passed by Postal Ballot on January 14, 2019.
(b) Total number of options approved under ESOS	2,04,000 (Two Lakh Four Thousand)
(c) Vesting requirements	Options granted will vest over a period of five years subject to a minimum period of one year from the date of grant of options
(d) Exercise price or pricing formula	Rs. 150.00 and Rs 700.00. The Exercise Price shall be decided by the NRC in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014 and any amendments thereto.
(e) Maximum term of options granted	Five years from the date of vesting.
(f) Source of shares (primary, secondary or combination)	Primary

(g) Variation in terms of options

There has not been any variation in the terms of options.

ii. Method used to account for ESOS - intrinsic or fair value.

The calculation is based on Fair Value Method

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 : Not applicable

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):

Particulars	ESOP 2018
Number of options outstanding at the beginning of the period	54,621
Number of options granted during the year	NIL
Number of options forfeited / lapsed during the year	NIL
Number of options vested during the year	16,319
Number of options exercised during the year	NIL
Number of shares arising as a result of exercise of options	NIL
Money realized by exercise of options (INR), if scheme is implemented directly by the company	NIL
Loan repaid by the Trust during the year from exercise price received	N.A.
Number of options outstanding at the end of the year	54,621
Number of options exercisable at the end of the year	16,319

V. Weighted average exercise prices and weighted average fair values of Options outstanding at the end of the year whose:

Exercise price equals market price Not applicable

Exercise price is greater than market price

Weighted average exercise Price – Rs. 700 for 26400 Options

Weighted average fair values of options - Rs. 359.93 for 8800 Options and Rs. 399.81 for 17600 options

Exercise price is less than market price

Weighted average exercise Price – Rs. 150 for 28221 Options

Weighted average fair value of options

Rs. 687.78 for 23805 options, Rs 683.05 for 4416 options

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 including Key Managerial Personnel : NIL

No options were granted to Key Managerial Personnel during the financial year 2019-2020.

(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 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) the weighted-average values of share price	Rs	812.20	812.20
Exercise price	Rs	150	700
Expected volatility		40%	40%
Expected Option life		2 to 3 years	3 to 6 years
Expected Dividend		not separately included, factored in volatility	
the risk-free interest rate		7.474	7.474
Any other inputs to the model		----	---
(b) the method used and the assumptions made to incorporate the effects of expected early exercise		Black Scholes	
(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility		Volatility is worked out on the basis of movement of stock price based on the price data for last 12 months upto the date of grant.	
(d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition		---	