

Annexure 4

EMPLOYEE STOCK OPTION PLANS

Disclosure pursuant to Section 62 of the Companies Act, 2013, read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as on March 31, 2021

A. Summary of Employee Stock Option Plans (“ESOPs”)/Restricted Stock Units (“RSUs”)

The position of the existing schemes are summarized as under:

Sr. No.	Particulars	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSL-RSU 2019 Scheme	BSL-SIP 2019 Scheme
I.	Details of the ESOPs/RSUs:						
1	Date of Shareholder's Approval	August 28, 2006	April 11, 2014	August 19, 2015	August 29, 2018	October 3, 2019	October 3, 2019
2	Total Number of Options/RSUs approved#	13,683,562	1,000,000	2,500,000	4,769,267	1,648,300	10,714,200
3	Vesting Requirements	The Options shall vest over a period of 1 to 3 years from the date of grant, as follows: End of year 1: 30% End of year 2: 30% End of year 3: 40%	The Options shall vest over a period of 1 to 3 years from the date of grant, as follows: End of year 1: 30% End of year 2: 30% End of year 3: 40%	The Options shall vest over a period of 1 to 3 years from the date of grant, as follows: End of year 1: 30% End of year 2: 30% End of year 3: 40%	The Options shall vest as follows: March 15, 2019: 30% March 15, 2020: 30% March 15, 2021: 40%	The RSUs shall vest as follows: End of year 2 : 50% End of year 3: 50%	The Options shall vest as follows: End of year 2 : 50% End of year 3: 50%
4	The Pricing Formula/ Exercise Price	Closing Market Price of the Company's equity share on the Stock Exchange which has highest trading volumes, on the day prior to the date of grant of Options.	The Exercise Price shall be equal to face value of shares i.e. ₹ 2/- per option.	Closing Market Price of the Company's equity share on the Stock Exchange which has highest trading volumes, on the day prior to the date of grant of Options.	₹ 3.10 per option.	The Exercise Price shall be equal to face value of shares i.e. ₹ 2/- per RSU.	Closing Market Price of the Company's equity share on the Stock Exchange which has highest trading volumes, on the day prior to the date of grant of Options.
5	Maximum term of Options/RSUs granted (years)	a. For Vested Options: Maximum period of 3 years from the date of grants. b. For Exercise of Options: Maximum period of 5 years from the date of vesting of options granted.	a. For Vested Options: Maximum period of 3 years from the date of grants. b. For Exercise of Options: Maximum period of 5 years from the date of vesting of options granted.	a. For Vested Options: Maximum period of 3 years from the date of grants. b. For Exercise of Options: Maximum period of 5 years from the date of vesting of options granted.	a. For Vested Options: Maximum period of 3 years from the date of grants. b. For Exercise of Options: Maximum period of 4 years from the date of vesting of options granted.	Maximum period of 4 years from the date of vesting of RSUs.	Maximum period of 4 years from the date of vesting of Options granted.
6	Method of Settlement	All Options/RSUs granted would be settled in Equity Shares in the ratio of 1:1					

Sr. No.	Particulars	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSL-RSU 2019 Scheme	BSL-SIP 2019 Scheme
7	Source of shares	These Schemes use both new issue of shares by the Company ("Primary Shares") as well as secondary acquisition of shares ("Secondary Shares") by the Trust as source of shares for implementation.			Primary allotment to the Option/RSU holders.		
8	Variation in terms of ESOP/RSU	Nil					
#The total number of Options/RSUs approved under each Scheme has been adjusted for subsequent share splits and bonus issues for better understanding.							

Sr. No.	Particulars	ESOP 2006 Scheme		ESOP 2014 Scheme		ESOP 2015 Scheme		ESOP 2019 Scheme		BSL-RSU 2019 Scheme		BSL-SIP 2019 Scheme	
		No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of RSUs	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
II.	Options/RSUs movement during the year ended March 31, 2021:												
1	No. of Options/RSUs outstanding at the beginning of the year	784,155	58.14	-	-	496,800	60.78	1,589,016	3.10	1,233,647	2.00	6,192,931	62.40
2	Options/RSUs granted during the year	-	-	-	-	-	-	-	-	411,216	2.00	942,644	183.92
3	Options/RSUs forfeited/surrendered during the year	7,750	53.23	-	-	-	-	21,266	3.10	-	-	487,000	61.95
4	Options/RSUs lapsed during the year	21,400	53.23	-	-	36,500	58.74	-	-	-	-	-	-
5	Options/RSUs exercised during the year	294,605	57.78	-	-	74,400	66.06	577,517	3.10	-	-	-	-
6	Total number of shares arising as a result of exercise of Options/RSUs	294,605	57.78	-	-	74,400	66.06	577,517	3.10	-	-	-	-
7	Money realized by exercise of Options/RSUs ()	17,022,538	-	-	-	4,915,206	-	1,790,303	-	-	-	-	-
8	Number of Options/RSUs outstanding at the end of the year	460,400	58.53	-	-	385,900	59.95	990,233	3.10	1,644,863	2.00	6,648,575	79.66
9	Number of Options/RSUs exercisable at the end of the year	460,400	58.53	-	-	385,900	59.95	990,233	3.10	-	-	-	-

Sr. No.	Particulars	ESOP 2006 Scheme		ESOP 2014 Scheme		ESOP 2015 Scheme		ESOP 2019 Scheme		BSL-RSU 2019 Scheme		BSL-SIP 2019 Scheme	
		No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of RSUs	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
Options/RSUs movement during the year ended March 31, 2020:													
1	No. of Options/RSUs outstanding at the beginning of the year	1,229,650	55.54	30,000	2.00	547,800	60.58	4,753,138	3.10	-	-	-	-
2	Options/RSUs granted during the year	-	-	-	-	-	-	-	-	1,644,863	2.00	7,094,575	62.46
3	Options/RSUs forfeited/surrendered during the year*	75,695	55.54	30,000	2.00	51,000	60.58	599,353	3.10	411,216	2.00	901,644	62.82
4	Options/RSUs lapsed during the year	64,200	49.39	-	-	-	-	-	-	-	-	-	-
5	Options/RSUs exercised during the year	305,600	49.91	-	-	-	-	2,564,769	3.10	-	-	-	-
6	Total number of shares arising as a result of exercise of Options/RSUs	305,600	49.91	-	-	-	-	2,564,769	3.10	-	-	-	-
7	Money realized by exercise of Options/RSUs (₹)	4,868,522	-	-	-	-	-	7,950,784	-	-	-	-	-
8	Number of Options/RSUs outstanding at the end of the year	784,155	58.14	-	-	496,800	60.78	1,589,016	3.10	1,233,647	2.00	6,192,931	62.40
9	Number of Options/RSUs exercisable at the end of the year	784,155	58.14	-	-	496,800	60.78	734,548	3.10	-	-	-	-
* Options forfeited/surrendered during the year includes Options adjusted for corporate action & Birlasoft Options to the employees of the de-merged company i.e. KPIT Technologies Limited under ESOP 2006 & ESOP 2015 Schemes.													

Sr. No.	Particulars	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSL-RSU 2019 Scheme	BSL-SIP 2019 Scheme
III.	Diluted Earnings Per Share pursuant to issue of shares on exercise of Options/RsUs calculated in accordance with Indian Accounting Standard (Ind AS) 33				11.29		
	Method of Accounting	Fair Value Method in accordance with Ind-AS 102: share based payment					

Sr. No.	Particulars	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSL-RSU 2019 Scheme	BSL-SIP 2019 Scheme
IV.	Weighted Average Fair Value of Options/RsUs granted during the year ended March 31, 2021 whose:						
(a)	Exercise price equals market price	-	-	-	-	-	79.20
(b)	Exercise price is greater than market price	-	-	-	-	-	-
(c)	Exercise price is less than market price	-	-	-	-	114.71	-
	Weighted Average Fair Value of Options/RsUs granted during the year ended March 31, 2020 whose:						
(a)	Exercise price equals market price	-	-	-	-	-	22.28
(b)	Exercise price is greater than market price	-	-	-	-	-	-
(c)	Exercise price is less than market price	-	-	-	-	52.61	-

Sr. No.	Particulars	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSL-RSU 2019 Scheme	BSL-SIP 2019 Scheme
V.	The weighted average market price of options exercised during the year ended March 31, 2021	187.08	-	210.82	133.32	-	-
	The weighted average market price of Options exercised during the year ended March 31, 2020	72.90	-	-	73.29	-	-

Sr. No.	Particulars	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSL-RSU 2019 Scheme	BSL-SIP 2019 Scheme								
VI.	Employee-wise details of Options/RSUs granted during the financial year 2020-21 to:														
(i)	Senior Managerial Personnel														
Sr. No.	Name of the Employee	No. of Options Granted	Exercise Price (₹)	No. of Options Granted	Exercise Price (₹)	No. of Options Granted	Exercise Price (₹)	No. of Options Granted	Exercise Price (₹)	No. of RSUs Granted	Exercise Price (₹)	No. of Options Granted	Exercise Price (₹)		
1	Mr. Chandrasekar Thyagarajan - Chief Financial Officer	-	-	-	-	-	-	-	-	205,608	2.00	137,072	180.65		
2	Mr. Arun Rao - Chief People Officer	-	-	-	-	-	-	-	-	205,608	2.00	137,072	67.00		
(ii)	Employees who were granted, during any one year, Options/RSUs amounting to 5% or more of the Options/RSUs granted during the year:														
Sr. No.	Name of the Employee	No. of Options Granted	Exercise Price (₹)	No. of Options Granted	Exercise Price (₹)	No. of Options Granted	Exercise Price (₹)	No. of Options Granted	Exercise Price (₹)	No. of Options Granted	Exercise Price (₹)	No. of RSUs Granted	Exercise Price (₹)	No. of Options Granted	Exercise Price (₹)
1	Mr. Chandrasekar Thyagarajan - Chief Financial Officer	-	-	-	-	-	-	-	-	-	-	205,608	2.00	137,072	180.65
2	Mr. Arun Rao - Chief People Officer	-	-	-	-	-	-	-	-	-	-	205,608	2.00	137,072	67.00
3	Ms. Shilpa Bhandari - Sr. Vice President	-	-	-	-	-	-	-	-	-	-	-	-	105,000	180.65
4	Mr. Ashutosh Mankar - Vice President	-	-	-	-	-	-	-	-	-	-	-	-	90,000	115.20
5	Mr. Sumit Narang - Vice President	-	-	-	-	-	-	-	-	-	-	-	-	61,000	115.20
6	Mr. Jang Bahadur - Vice President	-	-	-	-	-	-	-	-	-	-	-	-	90,000	249.85
7	Mr. Abhinav Pandey - Associate Vice President	-	-	-	-	-	-	-	-	-	-	-	-	72,500	249.85
8	Mr. Tej Sarup - Lead Architect	-	-	-	-	-	-	-	-	-	-	-	-	55,000	249.85
(iii)	Identified employees who were granted Option/RSUs, 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:														
Sr. No.	Name of the Employee	No. of Options Granted	No. of Options Granted	No. of Options Granted	No. of Options Granted	No. of RSUs Granted	No. of Options Granted								
	None of the employees were granted 1% or more of the issued capital of the Company at the time of grant during the year														

Sr. No.	Particulars	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSL-RSU 2019 Scheme	BSL-SIP 2019 Scheme
VII.	Method and assumptions used to estimate the fair value of Options/RSUs granted during the year ended March 31, 2021:						
	The fair value has been calculated using the Black Scholes Option Pricing Model						
Sr. No.	Variables	Weighted Average	Weighted Average	Weighted Average	Weighted Average	Weighted Average	Weighted Average
1	Risk Free Interest Rate	-	-	-	-	5.07	5.02
2	Expected Life (in years)	-	-	-	-	3.91	3.80
3	Expected Volatility	-	-	-	-	52.59%	54.12%
4	Dividend Yield	-	-	-	-	2.05%	1.47%
5	Exercise Price (₹)	-	-	-	-	2.00	183.92
6	Price of the underlying share in market at the time of the option grant (₹)	-	-	-	-	123.83	183.92

Assumptions:

The assumptions used in the model are as follows:

- Stock Price: Closing price of the equity shares of the Company on the National Stock Exchange of India Limited on the trading day, prior to the date of grant has been considered.
- Volatility: The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.
- Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the Options based on the zero-coupon yield curve for Government Securities.
- Exercise Price: Exercise Price of each specific grant has been considered.
- Time to Maturity: Time to Maturity/Expected Life of Options/RSUs is the period for which the Company expects the Options/RSUs to be live.
- Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.

VIII. Effect of share-based payment transactions on the entity's Profit or Loss for the period:

(₹ in million)

Sr. No.	Particulars	March 31, 2021	March 31, 2020
1	Employee Option Plan Expense	111.75	96.39
2	Total Liability at the end of the period	199.62	140.90

IX. Details related to Trust:

Consequent upon the merger of Birlasoft (India) Limited with the Company, the KPIT Technologies Employees Welfare Trust has been transferred to KPIT Engineering Limited (renamed as KPIT Technologies Limited). Hence, the details related to the Trust are not applicable to the Company.

For and on behalf of the Board of Directors

London
May 21, 2021

Amita Birla
Chairman
DIN: 00837718