

**DISCLOSURE PURSUANT TO REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA
(SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS ON MARCH 31, 2018:**

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments':

The disclosure is provided in Notes 34 to the financial statements of the Company for the year ended March 31, 2018.

B. Diluted EPS on issue of shares:

14.76

C. Details related to Employee Stock Option Schemes (ESOS) of the Company:

Sr. No.	Particulars	March 2015		March 2016				March 2017	Total
		Grant I (June 6, 2014)	Grant II (Feb 13, 2015)	Grant III (May 29, 2015)	Grant IV (Aug 7, 2015)	Grant V (Jan 29, 2016)	Grant VI (Mar 7, 2016)	Grant VII (April 1, 2016)	
	Options Granted	14,95,000	42,000	28,000	56,000	54,000	6,000	46,000	17,27,000
i. 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 shareholder's approval	Blue Star Employee Stock Option Scheme 2013 was approved by the Shareholders of the Company by a Special Resolution passed by postal ballot dated March 7, 2013							

b.	Total number of options approved under ESOS	17,98,722						
c.	Vesting requirements	ESOPs will vest not earlier than One (1) year and not more than Three (3) years from the date of Grant						
d.	Pricing formula	Exercise price was considered as immediately previous day's closing price on NSE, being the Exchange with highest traded volume.						
	Exercise Price (in RS)	290.05	320.70	345.65	369.55	355.10	341.35	390.30
e.	Maximum term of options granted	5 years from the date of Vesting						
f.	Source of shares	Primary						
g.	Variation in term of options granted	There has not been any variation in the terms of options.						
ii. Method used to account for ESOS-Intrinsic or fair value								
	Calculation is based on Fair Value Method							
iii. Where the Company opts for expensing the options using the intrinsic value of the Options – NA								
	the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if	N.A.						

	it had used the fair value of the options shall be disclosed	
	The impact of this difference:	N.A.
iv. Option movement during the year (For each ESOS):		
Particulars		Details
Number of options outstanding at the beginning of the year		8,85,200
Number of options granted during the year		Nil
Number of options forfeited/lapsed during the year		1,41,700
Number of options vested during the year		3,77,400
Number of options exercised during the year		4,29,400
Number of shares arising as a result of exercise of options		4,29,400
Money realizes by exercise of options (INR), if scheme is implemented directly by the Company		Rs 12,90,67,602.5/-
Loan repaid by the Trust during the year from exercise price received		NA
Number of options outstanding at the end of the year		3,14,100
Number of stock exercisable at the end of the year		3,14,100

v. Weighted-average exercise prices and weighted-average fair values of option								
a.	Weighted-average exercise prices and weighted average fair value of options whose exercise price equals the market price of the stock	Weighted-average exercise price- Rs 290.05 weighted average fair value of options- Rs 94.17	Weighted-average exercise price- Rs 320.70 weighted average fair value of options- Rs 85.66	Weighted-average exercise price- Rs 345.65 weighted average fair value of options- Rs 83.62	Weighted-average exercise price- Rs 369.55 weighted average fair value of options- Rs. 91.13	Weighted-average exercise price- Rs 355.10 weighted average fair value of options- Rs 87.96	Weighted-average exercise price- Rs 341.35 weighted average fair value of options- Rs 84.09	Weighted-average exercise price- Rs 390.30 weighted average fair value of options- Rs 104.03
b.	Weighted-average prices and weighted average fair value of options whose exercise price is less than the market price of the stock	-	-	-	-	-	-	-
c.	Weighted-average exercise prices and weighted average fair value of options whose exercise price exceeds the market price of the stock	-	-	-	-	-	-	-

vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to								
a.	Key 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 the year.	-	-	-	-	-	-	-
c.	Identified employee 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 (in Rs):	290.05	320.70	345.65	369.55	355.10	341.35	390.30
	exercise price: (in Rs)	290.05	320.70	345.65	369.55	355.10	341.35	390.30
	expected volatility:	38%	35%	30%	31%	32%	32%	36%
	expected option life:	4 Months	4 Months	4 Months	4 Months	4 Months	4 Months	4 Months
	expected dividends:	Not separately included: factored in volatility working	Not separately included: factored in volatility working	Not separately included: factored in volatility working	Not separately included: factored in volatility working	Not separately included: factored in volatility working	Not separately included: factored in volatility working	Not separately included: factored in volatility working
	the risk-free interest rate:	8.5%	7.7%	7.8%	7.8%	7.8%	7.6%	7.7%
	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	<p>Following factors have been considered:</p> <ul style="list-style-type: none"> • The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. • The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome
d.	whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	