

Disclosure pursuant to Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 as on 31 March 2020

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share- based payments' issued by Institute of Chartered Accountants of India ('ICAI') or any other relevant accounting standards as prescribed from time to time.

The disclosures are provided in Note no. 41 of the Notes to Financial Statements of the Company for the year ended 31 March 2020.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations in accordance with 'Indian Accounting Standard 33 - Earnings per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time:

NIL

C. Details related to Bajaj Auto Employees Stock Option Scheme 2019 (BAL- ESOS 2019)

The BAL-ESOS 2019 has been formulated by the Nomination and Remuneration Committee of the Board with an aim to provide competitive remuneration opportunities to employees of the Company and was approved by the Board at its Meeting held on 30 January 2019 and by the Members of the Company vide Special Resolution through Postal Ballot on 13 March 2019 in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended ('SEBI SBEB Regulations').

I. Details related to BAL- ESOS 2019 are given below:

Sr. No.	Particulars	BAL-ESOS 2019
1.	Date of shareholders' approval	13 March 2019
2.	Total number of options approved	5,000,000 options convertible into 5,000,000 equity shares of ₹ 10 each
3.	Vesting Requirement	The vesting period shall commence on the expiry of one year from the date of grant of options or such period as may be decided by the Compensation Committee at the time of each grant of options. The options would vest not earlier than 1 year and up to 10 years from the date of grant of options or such period as may be decided by the Compensation Committee at the time of each grant of options. The options granted shall vest so long as the employee continues to be in the employment of the Company [including subsidiary companies / holding company (if any in future)].
4.	Exercise price or pricing formula (₹)	The exercise price for the purpose of grant will be the closing market price one day prior to the date of grant, on the stock exchange where highest trading volume of the equity shares of the Company is registered, subject to the condition that the exercise price will not be less than the face value of the share (₹ 10/-) under any circumstances.
5.	Maximum term of options granted (years)	The exercise period would commence from the date of vesting and will expire on completion of 8 years from the date of vesting of options, or such period as may be decided by the Compensation Committee at its sole discretion from time to time.
6.	Source of shares	Secondary acquisition and/ or primary issuance.
7.	Variation in terms of ESOP	Nil

II. Method used to account for ESOS - Fair Value Method

III. Where the company opts for expensing of the options using the intrinsic value of the options, difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used fair value of the options & the impact of this difference on profits and on EPS of the Company.

Not Applicable as fair value has been accounted

IV. Details of Options (Option Movement during the year):

Sr. No.	Particulars	Details
i.	Number of options outstanding at the beginning of the period	-
ii.	Number of options granted during the year	287,636
iii.	Number of options cancelled during the year	6,837
iv.	Number of options forfeited/lapsed during the year	-
v.	Number of options vested during the year	-
vi.	Number of options exercised during the year	-
vii.	Number of shares arising as a result of exercise of options	-
viii.	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	-
ix.	Loan repaid by the trust during the year from exercise price received	-
x.	Number of options outstanding at the end of the year	280,799
xi.	Number of options exercisable at the end of the year	280,799

V. Weighted-average exercise prices and weighted-average fair values of options whose exercise price equals or exceeds or is less than the market price of the stock:

Not applicable, no options were exercised during the year 2019-20.

VI. Employee-wise details of options granted during the year 2019-20 to:

(i) Senior managerial personnel

Sr. No.	Name	No. of options granted	Grant Price
1	Pradeep Shrivastava	21,258	2,942.65
2	Rakesh Sharma	16,328	2,942.65
3	Abraham Joseph	15,280	2,942.65
4	S Ravikumar	8,039	2,942.65
5	Soumen Ray	9,042	2,942.65
6	Ravi Kyran Ramasamy	11,803	2,942.65
7	Sarang Kanade	6,592	2,942.65
8	R C Maheshwari	9,022	2,942.65
9	Kevin D'sa	9,044	2,942.65
10	K S Grihapathy	8,074	2,942.65
11	Eric Vas	9,372	2,942.65
12	Sumeet Narang	8,128	2,942.65
13	Dr. J Sridhar	5,587	2,942.65
14	Subash A K Rao	6,837	2,942.65

(ii)	Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year	
	Name	No. of options granted
	Nil	-
(iii)	Identified employees who were granted options, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	
	Name	No. of options granted
	Nil	-

VII. A description of the method and significant assumptions used during the year to estimate the fair value of options granted during the year 2019-20:

The fair value at grant date is determined using the Black Scholes model which takes into account the stock price, exercise price, the term of the option, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Significant assumptions used to estimate the fair value of options:

Grant date	Risk free interest rate	Expected life	Expected volatility	Dividend yield	Price of the underlying share in market at the time of the option grant (₹)
17-May-2019	6.88	3.51	22.18	2.04	2,942.65

D. Details related to Trust

i. General information:

Sr. No.	Particulars	Details
a	Name of the Trust	Bajaj Auto ESOP Trust
b	Details of the Trustee(s)	1. Abraham Joseph 2. Ravi Kyran Ramasamy 3. Madhavadas Kini
c	Amount of loan disbursed by Company/ any company in the group, during the year.	₹ 26.62 crore
d	Amount of loan outstanding (Repayable to Company/any company in the group) as at the end of the year.	₹ 26.62 crore
e	Amount of loan, if any, taken from any other source for which company/ any company in the group has provided any security or Guarantee.	Nil
f	Any other contribution made to the Trust during the year.	Nil

ii. Brief details of transactions in shares by the Trust

Sr. No.	Particulars	Details
(a)	Number of shares held at the beginning of the year	Nil
(b)	Number of shares acquired during the year through	
	(i) primary issuance	Nil
	(ii) secondary acquisition	
	1. Number of shares acquired during the year	99,750
	2. Percentage of paid up equity capital as at the end of the previous financial year	0.03
	3. Weighted average cost of acquisition per share	2,593.93
(c)	Number of shares transferred to the employees along with the purpose thereof - equity shares were transferred to the employees upon exercise of options	Nil
(d)	Number of shares held at the end of the year	99,750

iii. In case of secondary acquisition of shares by the Trust

Number of Shares	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
Held at the beginning of the year	Nil
Acquired during the year	0.03% (99,750 equity shares)
Sold during the year	Nil
Transferred to the employees during the year	Nil
Held at the end of the year	0.03% (99,750 equity shares)