

MAHINDRA LIFESPACE DEVELOPERS LIMITED - EMPLOYEE STOCK OPTION SCHEME

The Company has two Employee Stock Option Scheme (a) Employee Stock Option Scheme – 2006 (ESOS 2006) and (b) Employee Stock Option Scheme – 2012 (ESOS 2012). ESOS 2006 was approved by the Shareholders at the Annual General Meeting of the Company held on 21st July, 2006 and ESOS 2012 was approved by the Shareholders at the Annual General Meeting of the Company held on 24th July, 2012.

The disclosures with respect to both the schemes as per Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 for the financial year 2020-21 is as under:

Particulars	Disclosures
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.	Details provided in note 26 - Notes to Accounts of the Standalone financial statement and note 29 - Notes to Accounts of the Consolidated financial statement in the Annual Report 2020-21
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.	Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with Indian Accounting Standard (IND AS) 33 'Earnings Per Share' for FY 2020-21 is Rs. (10.17) (Standalone) and Rs. (13.96) (Consolidated).

Details related to Employee Stock Option Scheme 2006 and 2012 of the Company

1. A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including –

Particulars	MLDL ESOS 2006	MLDL ESOS 2012
Date of shareholders' approval	21 st July, 2006	24 th July, 2012
Vesting requirements	In four equal tranches of 25% each on expiry of 12 months, 24 months 36 months and 48 months respectively from the date of grant.	A. Prior to 17 th March, 2021 In four tranches of 20%, 20%, 30% and 30% on expiry of 12 months, 24 months 36 months and 48 months respectively from the date of grant.

		<p>B. Post 17th March 2021</p> <p>In three equal tranches of 33.33%, 33.33% and 33.34% on expiry of 12 months, 24 months and 36 months respectively from the date of grant.</p>
Exercise Price	<p>Based on below pricing formula, for options granted on 25th April 2008 exercise price is Rs. 428 per stock options, for options granted on 4th August 2012 exercise price is Rs. 325.00 per stock options and for the options granted on 30th October 2020 exercise price is Rs. 246.00 per stock options.</p>	Rs. 10 per stock options.
Pricing Formula	<p>Average price preceding the specified date</p> <hr/> <p>Average price — Average of the daily high and low of the prices for the Company's Equity Shares quoted on Bombay Stock Exchange Limited during 15 days preceding the specified date.</p> <hr/> <p>Specified date — Date on which the Nomination and Remuneration Committee decided to recommend granting of Stock Options to the employees and Directors of the Company and its holding / subsidiary companies under an Employees' Stock Option Scheme.</p>	Not Applicable
Maximum term of options granted	<p>The options granted vest in four equal tranches of 25% each on expiry of 12 months, 24 months 36 months and 48 months respectively from the date of grant.</p> <p>The exercise period for each tranche of the options vested is the last date of exercise period for the last tranche of the granted Options i.e. 5 years from the date of vesting of the last tranche or such other extended period</p>	<p>A. Prior to 17th March 2021</p> <p>The options granted shall vest in four tranches of 20%, 20%, 30% and 30% on expiry of 12 months, 24 months 36 months and 48 months respectively from the date of grant.</p> <p>The options vested shall be exercised within a period of five (5) years from the respective</p>

	<p>or periods as may be decided by the Nomination and Remuneration Committee from time to time.</p> <p>The Options remaining unexercised at the end of the Exercise Period (or such extended period/s as may have been decided by the Nomination and Remuneration Committee), shall lapse.</p>	<p>date of vesting of options.</p> <p>B. Post 17th March 2021</p> <p>The options granted shall vest in three equal tranches of 33.33%, 33.33% and 33.34% on expiry of 12 months, 24 months and 36 months respectively from the date of grant.</p> <p>The options vested shall be exercised within a period of five (5) years from the date of grant.</p> <p>The options remaining unexercised at the end of the Exercise Period or such extended period as may be determined by the Nomination and Remuneration Committee shall lapse.</p>
Source of shares (primary, secondary or combination)	Primary	Primary
Variation in terms of options	<p>Pursuant to the authority granted to the Nomination and Remuneration Committee the following administrative changes were made: (i) to provide for exercise of vested Stock Option by eligible employees at any time during a period of five years from the respective date of vesting instead of earlier option of exercising only on the anniversary of their vesting (ii) subject to other terms in this regard, retired / resigned employees are allowed to exercise the vested Stock Options at any time during the period of five years from respective date of vesting as against exercise of Options within 3 months from the date of retirement/ resignation. On 22nd April, 2014, the last date for exercise of vested options granted on 25th April, 2008 and on 4th August, 2012, was changed to 24th April, 2017 and 3rd August, 2021, respectively.</p>	<p>Pursuant to the authority granted to the Nomination and Remuneration Committee the following changes were made:</p> <p>(i) revised vesting period and exercise period for stock options to be granted after 17th March, 2021</p> <p>(ii) subject to other terms in this regard, resigned employees are allowed to exercise the vested Stock Options before their departure as against exercise of Options within 3 months after departure.</p>

2. Method used to account for ESOS - Intrinsic or fair value: **Fair Value method**
3. 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**
4. Option movement during the year (For each ESOS):

Particulars	MLDL ESOS - 2006	MLDL ESOS - 2012	TOTAL
Number of options outstanding at the beginning of the period	5,000	1,21,350	1,26,350
Number of options granted during the year	4,00,000	67,654	4,67,654
Number of options forfeited / lapsed during the year	2,500	21,150	23,650
Number of options vested during the year	Nil	10,400	10,400
Number of options exercised during the year	Nil	21,850	21,850
Number of shares arising exercise of options	Nil	21,850	21,850
*Money realized by exercise of options (INR), if scheme is implemented directly by the company	Rs. 7,44,92,000	Rs. 13,09,500	Rs. 7,58,01,500
Number of options outstanding at the end of the year	4,02,500	1,13,350	5,48,504
Number of options exercisable at the end of the year	2,500	19,050	21,550

**The details provided are for total options exercised under ESOS 2006 and 2012.*

5. 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:

ESOS 2006:

Options Grant Date	Weighted average Exercise Price	Weighted average Fair Value
25 th April, 2008	Rs. 428.00	Rs. 443.79
4 th August, 2012	Rs. 325.00	Rs. 294.06
30 th October, 2020	Rs. 246.00	Rs. 108.97

ESOS 2012

Options Grant Date	Weighted average Exercise Price	Weighted average Fair Value
4 th August, 2012	Rs. 10.00	Rs. 294.06
24 th July, 2013	Rs. 10.00	Rs. 409.27
17 th October, 2014	Rs. 10.00	Rs. 461.87
30 th April 2015	Rs. 10.00	Rs. 402.60
28 th January 2016	Rs. 10.00	Rs. 417.10
28 th July 2016	Rs. 10.00	Rs. 420.53
25 th July 2017	Rs. 10.00	Rs. 393.45
30 th Jan 2018	Rs. 10.00	Rs. 453.81
30 th July, 2019	Rs. 10.00	Rs. 532.67
14 th February, 2019	Rs. 10.00	Rs. 341.88
26 th July, 2019	Rs. 10.00	Rs. 353.37
29 th July, 2020	Rs. 10.00	Rs. 168.56
30 th October, 2020	Rs. 10.00	Rs 258.83
17 th March, 2021	Rs. 10.00	Rs 542.32

6. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to:

a. Senior Managerial Personnel (During FY 2020-21):

Names	Designation	ESOS 2012	
		Number of options granted	Exercise Price
24,500 Options were granted on 29th July, 2020			
Mr. Amar Tendulkar	Chief of Design	5,000	Rs. 10
Ms. Kriti Sharma	Chief People Officer	4,000	Rs. 10
Ms. Nidhi Sekseria	Chief Strategy Officer	4,000	Rs. 10
Mr. Vimal Agarwal	Chief Financial Officer	4,000	Rs. 10
32,654 Options were granted on 17th March, 2021			
Mr. Vimal Agarwal	Chief Financial Officer	4,086	Rs. 10
Mr. Vimalendra Singh	Chief Sales and Service Officer	3,405	Rs. 10
Ms. Kriti Sharma	Chief People Officer	3,405	Rs. 10
Ms. Nidhi Sekseria – Resigned w.e.f. 31 st May, 2021	Chief Strategy Officer	3,269	Rs. 10
Mr. Amit Pal	Chief Project Officer	2,997	Rs. 10

Mr. Ankur Parmar	Chief Marketing Officer - Happinest	2,316	Rs. 10
Mr. Viral Oza	Chief Marketing Officer	4,768	Rs. 10
Mr. Parveen Mahtani	Chief Legal Officer	2,452	Rs. 10
Mr. KR Sudharshan	Chief Project Officer	749	Rs. 10
Names	Designation	ESOS 2006	
		Number of options granted	Exercise Price
Mr. Arvind Subramanian	Managing Director & CEO	4,00,000	Rs. 246

Note:

1. During FY2020-21, total 67,154 options were granted to eligible employees under ESOS-2012, of which 44,447 were granted to Senior Managerial Personnel.
2. Senior Managerial Personnel is as per definition under Regulation 16(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b. Employees (Including Director) who receives grant in any one year of option amounting to 5% or more of option granted during that year:

ESOS 2006:

Names	Designation	ESOS -2006	
		Number of options granted	Exercise Price
6,78,359 Options were granted on 25th April, 2008			
Mr. Arun Nanda	Chairman, Non-Executive Director	2,00,000	Rs. 428
Ms. Anita Arjundas ¹	-	50,000	Rs. 428
Mr. Pawan Malhotra ²	-	50,000	Rs. 428
10,000 Options were granted on 4th August, 2012			
Dr. Prakash Hebalkar ³	-	10,000	Rs. 325
4,00,000 Options were granted on 30th October, 2020			
Mr. Arvind Subramanian	Managing Director and CEO	4,00,000	Rs.246

¹ Resigned as Managing Director with effect from 30th September 2018

² Resigned as Managing Director with effect from 23rd June 2009

³ Dr. Prakash Hebalkar ceased to be Independent Director of the Company with effect from 30th July 2017 on expiry of his term of office

ESOS 2012:

Names	Designation	ESOS -2012	
		Number of options granted	Exercise Price
1,01,000 Options were granted on 4th August, 2012			
Ms. Anita Arjundas	-	10,000	Rs. 10
Ms. Sangeeta Prasad ¹	Managing Director and CEO	6,000	Rs. 10
26,500 Options were granted on 24th July, 2013			
Mr. Deepak Ahluwalia	General Manager - Human Resources	1,500	Rs. 10
Mr. Kamal Sharma	Deputy General Manager - Facility Management	1,500	Rs. 10
Mr. Sanjay Bhagat	DGM - Business Development	1,500	Rs. 10
Mr. Sundaresan Vaidyanathan	Sr.General Manager -Business Development	2,500	Rs. 10
Ms. Smeeta Neogi	Vice President – Marketing	4,000	Rs. 10
Mr. Riyaz Bhada	General Manager – Design	2,500	Rs. 10
Mr. Tirthankar Chatterjee	Vice President - Projects (West)	4,000	Rs. 10
Mr. Rajesh Sriramshetty	General Manager- Projects	1,500	Rs. 10
Mr. Parcha Radha Kishan	DGM – Projects	1,500	Rs. 10
Mr. Akhilesh Ayyappan	Deputy General Manager - Business Development	1,500	Rs. 10
Ms. Arti Shinde	DGM - Secretarial & Legal	1,500	Rs. 10
27,000 Options were granted on 17th October, 2014			
Mr. Jasmin Suchak	DGM - Accounts & Finance	1,500	Rs. 10
Ms. Bharathy Shivakumar	DGM - Accounts & Finance (South)	1,500	Rs. 10
Mr. Meraj Choudhari	DGM – Business Development & Marketing (Delhi North)	1,500	Rs. 10
Mr. Vimal Mishra	Deputy General Manager - Compliance & Liasoning	1,500	Rs. 10
Mr. Ajay Saklani	Deputy General Manager – Sales	1,500	Rs. 10
Mr. Lokesh Gupta	Vice President - Operations (North)	4,000	Rs. 10
Mr. Sanjay Srivastava	Chief Operating Officer, Subsidiary Company	6,000	Rs. 10
Mr. Girish Menon	DGM – Liasoning	1,500	Rs. 10
Mr. Ashish Singhal	General Manager – Projects	2,500	Rs. 10

Mr. Ajay Shah	General Manager – CRM	1,500	Rs. 10
Mr. Deepak Porayath	Business Head - Residential South	4,000	Rs. 10
34,000 Options were granted (3,000 Options were granted on 30th April, 2015 & 31,000 Options were granted on 28th January, 2016)			
Mr. Bharat Gothoskar	General Manager – Marketing	2,500	Rs. 10
Mr. Anuj Bindal	General Manager - BD & Marketing	2,500	Rs. 10
Mr. Satish Deshpande	General Manager – Projects	2,500	Rs. 10
Mr. Amitabh Byapari	General Manager - Strategic Sourcing & Contracting	2,500	Rs. 10
Mr. Ankit Agarwal	General Manager – Sales	2,500	Rs. 10
30,000 Options were granted on 28th July, 2016			
Mr. Rajasekar P	Deputy General Manager – Projects	1,500	Rs. 10
Mr. Vivek Patil	Deputy General Manager – Projects	1,500	Rs. 10
Vijayasarithi S	Deputy General Manager – Projects	1,500	Rs. 10
Ms. Kamban Kavi	Deputy General Manager - O & M	1,500	Rs. 10
Mr. Sudheendra Satyanarayana	Deputy General Manager - Accounts & Finance	1,500	Rs. 10
Mr. Rajan Somvanshi	Deputy General Manager - Business Excellence	1,500	Rs. 10
Mr. Subhorov Roy	General Manager - Sales (West)	2,500	Rs. 10
Mr. Jaimin Desai	Head – Design	2,500	Rs. 10
Mr. Rahul Gupta	VP – Sales	4,000	Rs. 10
Mr. Abhishek Badkul	General Manager – Sales	2,500	Rs. 10
Mr. Rahul Pote	DGM – MEP	1,500	Rs. 10
Mr. Gurushankar R	General Manager - Quality & Innovation	2,500	Rs. 10
Ms. Rhea Jeswani	DGM - Finance & Accounts	1,500	Rs. 10
Mr. Madhusudan Pattanaik	General Manager - Projects	2,500	Rs. 10
Mr. Guhan Raj Kandaswamy	DGM - Facilities Management	1,500	Rs. 10

21,000 Options were granted (18,500 Options were granted on 25th July, 2017 & 2,500 Options were granted on 30th January, 2018)			
Mr. Sunil Sharma	VP - Marketing & CRM	4,000	Rs. 10
Mr. Vijay R	General Manager - Sales & Marketing	2,500	Rs. 10
Mr. Vaibhav Jambhekar	Sr. GM - Strategy & Business Excellence	3,000	Rs. 10
Mr. Deepak Gokhale	DGM - Legal	1,500	Rs. 10
Mr. Girish Agrawal	DGM - Accounts & Finance	1,500	Rs. 10
Mr. S. Madurai Veeran	DGM - Contracts	1,500	Rs. 10
Mr. Siddhartha Agarwal	DGM - Channel Sales	1,500	Rs. 10
Ms. Nimisha Kumar	DGM - BD & Marketing	1,500	Rs. 10
Mr. Rajesh Iyer	DGM - Accounts & Finance	1,500	Rs. 10
Mr. Gulshan Soni	General Manager - Sales & Strategy	2,500	Rs. 10
25,500 Options were granted (19,500 Options were granted on 30th July, 2018 & 6,000 Options were granted on 14th February, 2019)			
Mr. Rajesh Adiga	General Manager - Sales	2,500	Rs. 10
Mr. Sumit Kasat	General Manager - Finance	2,500	Rs. 10
Mr. Nikhil Davda	General Manager - Marketing	2,500	Rs. 10
Mr. Ankur Dwivedi	DGM - Sales & Marketing	1,500	Rs. 10
Ms. Bharathy Karunanidhi	GM - Finance	2,500	Rs. 10
Mr. Sumeet Sethi	Head – Sales & Marketing (IC & IC)	4,000	Rs. 10
Mr. Abhinav Aggarwal	GM - IT	2,500	Rs. 10
Ms. Pavitra Venkatesh	DGM - Design	1,500	Rs. 10
Ms. Bhuvanya P	DGM – Business Development	1,500	Rs. 10
Mr. Prince	DGM - Safety	1,500	Rs. 10
Ms. Aditi Mathur	DGM - Design	1,500	Rs. 10
64,500 Options were granted on 26th July, 2019			
Mr. Arvind Subramanian	CEO – Happinest and COO – Mahindra Lifespace Developers Limited	6000	Rs. 10
Mr. Deepak Suvarna	Chief Project Officer	4000	Rs. 10
Mr. Sandeep Singh	Chief Business Development Officer	4000	Rs. 10
Mr. Vimalendra Singh	Chief Sales Officer – Happinest	4000	Rs. 10

24,500 Options were granted on 29th July, 2020			
Mr. Amar Tendulkar	Chief of Design	5,000	Rs. 10
Ms. Kriti Sharma	Chief People Officer	4,000	Rs. 10
Ms. Nidhi Sekseria	Chief Strategy Officer	4,000	Rs. 10
Mr. Vimal Agarwal	Chief Financial Officer	4,000	Rs. 10
32,654 Options were granted on 17th March, 2021			
Mr. Vimal Agarwal	Chief Financial Officer	4086	Rs. 10
Mr. Vimalendra Singh	Chief Sales and Service Officer	3405	Rs. 10
Ms. Kriti Sharma	Chief People Officer	3405	Rs. 10
Mr. Viral Oza	Chief Marketing Officer	4768	Rs. 10

¹ Resigned as the Managing Director & CEO of the Company with effect from 30th June 2020

Note:

1. Above table includes employees of the Company and its subsidiaries
2. Above table Includes details of employees who have resigned from the Company and its subsidiaries.
- c. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding warrants and conversions) of the Company at the time of grant: **NIL**
3. 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, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model:

Grant Date	ESOS 2006				ESOS-2012			
	25 th April 2008	4 th August 2012	4 th August 2012	30 th October 2020	24 th July 2013	24 th October 2014	30 th April 2015	28 th January 2016
Risk Free Interest Rate	7.79% - 8.15%	8.06% - 8.20%	8.06% - 8.20%	4.82% - 5.69%	8.31% - 8.39%	8.49% - 8.52%	7.69% - 7.74%	7.43% - 7.73%
Expected life	3.5 – 6.5 Years	3.5 – 6.5 Years	3.5 – 6.5 Years	3.5 – 6.5 Years	3.5 – 6.5 Years	3.5 – 6.5 Years	3.5 – 6.5 Years	3.5 – 6.5 Years
Expected volatility	66.76% - 70.65%	44.15% - 59.61%	44.15% - 59.61%	31.48%- 33.32%	47.63%	26.68% - 43.74%	26.11%- 37.68%	27.17% - 30.20%
Expected dividends	0.33%	1.38%	1.38%	-	1.31%	2.28%	2.57%	2.49%
Exercise Price (Rs.)	428	325	10	246	10	10	10	10
Stock Price (Rs.)	443.79	324.14	324.14	108.97	454.09	516.08	467.60	482.25

Grant Date	ESOS-2012							
	28 th July 2016	25 th July, 2017	30 th January, 2018	30 th July 2018	14 th February 2019	29 th July 2020	30 th October 2020	17 th March 2021
Risk Free Interest Rate	6.88% - 7.14%	6.37% - 6.66%	7.11% - 7.56%	7.76% - 8.01%	6.97% - 7.29%	4.82% - 5.69%	4.82% - 5.69%	5.16% - 5.59%
Expected life	3.5 – 6.5 Years	3.5 – 6.5 Years	3.5 – 6.5 Years	3.5 – 6.5 Years	3.5 – 6.5 Years	3.5 – 6.5 Years	3.5 – 6.5 Years	3.5 – 4 Years
Expected volatility	26.98% - 28.17%	27.24% - 28.90%	27.77% - 28.98%	27.95%- 30.52%	28.39%- 30.88%	30.51%- 32.39%	31.48%- 33.32%	34.19%- 34.87%
Expected dividends	1.31%	1.39%	1.22%	1.05%	1.58%	2.95%	-	-
Exercise Price (Rs.)	10	10	10	10	10	10	10	10
Stock Price (Rs.)	450.60	393.45	453.81	532.67	341.88	168.56	258.83	542.32

How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility: **The measure of volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. In respect of options granted during the year, we have considered the volatility for periods, corresponding to the respective expected lives of the different vests, prior to the grant date. We have considered the daily volatility of the Company's stock price on NSE over these years.**

Besides key assumptions stated above, no other features of the options grant were considered relevant while measuring the fair value.