

Disclosures pursuant to Regulation 14 of the SEBI (Share Based Employee Benefit) Regulations 2014 and Rule 12 of the Companies (Share Capital and Debenture), Rules, 2014 as at 31 March 2019	
Particulars	Magma HDI General Insurance Company Limited - Employee Stock Option Plan 2018 (MHDI ESOP 2018)
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.	Refer Note 17.22 annexed to the financial statements
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 EPS Rs 0.12 Refer Note 17.23 annexed to the financial statements
Date of shareholders' approval	17-Apr-18
Total number of options approved under ESOS	45,00,000 (Forty Five Lacs only)
Vesting requirements	The vesting schedule of the Options under tranche 1 MHDI ESOP 2018 as under: a. 30% of the Options shall Vest on the expiry of 12 months from the date of the Grant; b. 30% of the Options shall Vest on the expiry of 18 months from the date of Grant; and c. 40% of the Options shall Vest on the expiry of 30 months from the date of Grant;
Options Lapsed	10997
Exercise price or pricing formula	Exercise Price: Rs. 44.10 per share for Tranche 1
Maximum term of options granted	4 Years
Source of shares (primary, secondary or combination)	Secondary
Variation in terms of options	No variation
Method used to account for ESOS - Intrinsic or fair value.	Fair Value
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.	NA, since the Company follows Fair Value method
Option movement during the year (For each ESOS):	Given Separately in Annexure A
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.	Given Separately in Annexure A
Employee wise details of options granted to :	Given Separately in Annexure B (Present Employee)
(a) senior 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 that year; and	Given Separately in Annexure C (Present Employee)
(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
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;	Given Separately in Annexure A
(b) the method used and the assumptions made to incorporate the effects of expected early exercise;	Method used is Black Scholes Method and the expected life of the options has been estimated on the basis of average of minimum and maximum life of the Options
(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Volatility is the annualised standard deviation of the continuously compounded rate of the return of the stock over a period of time. It has been calculated over a period prior to the date of grant, corresponding with the expected life of the options being valued. Since the Company is not listed, volatility of listed peer for the said period has been considered
(d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	No other feature has been considered for fair valuation of Options

Annexure A

Option movement during the year 2018-19

		MHDI ESOP 2018
Sl. No.	Description	(Tranche 1)
1	Number of Options outstanding at the beginning of the period	Nil
2	Number of options granted	885488
3	Number of Options forfeited/lapsed during the year	10997
4	Options vested during the year	Nil as the criteria for vesting has not yet been met
5	Options exercised during the year	0
6	Total number of equity shares of Rs. 10/- each arising as a result of exercise of options	0
7	Money realized by exercise of options (In Rs.)	0
8	Loan repaid by the Trust during the year from exercise price received	0
9	Total number of options outstanding at the end of the year	874491
10	Number of Options exercisable at the end of the year	N.A
11	Weighted-average exercise prices (In Rs.)	Rs.44.10
12	Weighted-average fair values	Rs.33.34
13	Fair value of each options based on Black Scholes Methodology	Rs.33.34
Assumptions		
	Risk free rate	6.56% to 7.23%
	Expected life of options	2 to 4 Years
	Expected volatility	28.03%
	Expected dividend	Nil

Annexure B

List of Senior Management Employees to whom stock options were granted						
Plan Name	Name of Employee	Date of Grant of Options	Tranche	Designation	Number of Options granted during the year	Exercise Price (in Rs.)
MHDI ESOP 2018	Rajive Kumaraswami	07-May-18	1	Managing Director & Chief Executive Officer	239,055	44.10
	Vikas Mittal			Deputy CEO	109,969	
	Amit Bhandari			Chief Technical Officer	74,588	
	Gaurav Parasrampur			Chief Financial Officer	47,813	

Annexure C

Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year of grant						
Plan Name	Name of Employee	Date of Grant of Options	Tranche	Designation	Number of Options granted during the year	Exercise Price (in Rs.)
MHDI ESOP 2018	Rajive Kumaraswami	07-May-18	1	Managing Director & Chief Executive Officer	239,055	44.10
	Vikas Mittal			Deputy CEO	109,969	
	Amit Bhandari			Chief Technical Officer	74,588	
	Gaurav Parasrampur			Chief Financial Officer	47,813	
	Debasis Sanyal			National Head - Agency	47,813	