

# Crompton

**Crompton Greaves Consumer Electricals Limited**

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## **Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014**

- A) 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.**

Yes - Disclosed in Note 41 of Notes to Standalone Financial Statements, page 140 of the Annual Report 2017-18

- B) Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with IND AS-33-Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.**

Yes - Disclosed in Note 39 of Notes to Standalone Financial Statements, page 138 of the Annual Report 2017-18

### **C) Details related to ESOS**

Details of ESOP	Crompton Stock Option Plan 2016 (ESOP 2016)	Crompton Performance Share Plan 1 2016 (PSP 1)	Crompton Performance Share Plan 2 2016 (PSP 2)
Description of each ESOP that existed at any time during the year			
1. Date of shareholder's approval	22 <sup>nd</sup> October, 2016	22 <sup>nd</sup> October, 2016	22 <sup>nd</sup> October, 2016
2. Total number of options approved under ESOP	0,000	68,057	3,731
Vesting requirements	As specified by the Nomination and Remuneration Committee subject to minimum one year from the date of grant		
Exercise price or pricing formula ( ` )	Exercise Price is the closing market price on the Stock Exchange which has higher Trading Volume, as on the day prior to the date on which the Nomination and Remuneration Committee (NRC) approves the Grant.	Exercise price per Option is Rs. 92.83.	Exercise price per Option is Rs.185.66.
Maximum term of options granted (years)	Options granted under ESOP 2016 would vest not earlier than one year and not later than 5	Options granted under PSP 1 and PSP 2 would vest not earlier than one year and not later than 10 years from the date of grant	
Source of shares (Primary, Secondary or combination)	Primary		
7. Variation in terms of options	There have been no variations in the terms of the options		

II. Method used to account for ESOP			
The Company has calculated the employee compensation cost using the Fair value method of accounting for the Options granted.			
III. Option Movement during the year:			
Number of Options Outstanding at the beginning of the year	30,00,000	1,09,68,057	31,33,731
Number of Options Granted during the year	8,00,000	0	0
Number of Options Forfeited / lapsed during the year	6,04,633	0	0
Number of Options Vested but not exercised during the year	5,86,404	26,32,334	7,52,095
Number of Options Exercised during the year	38,963	0	0
Total number of shares arising as a result of exercise of options	38,963	0	0
Money realised by exercise of options (Rs.)	Rs. 72,70,496	0	0
Number of options Outstanding at the end of the year	31,56,404	1,09,68,057	31,33,731
Number of Options exercisable at the end of the year	5,86,404	26,32,334	7,52,095

Details of ESOP	Crompton Stock Option Plan 2016 (ESOP 2016)	Crompton Performance Share Plan 1 2016 (PSP 1)	Crompton Performance Share Plan 2 2016 (PSP 2)
IV. Weighted average exercise price of Options granted during the year whose:			
i. Exercise price equals market price	NIL	NIL	NIL
ii. Exercise price is greater than market price	221.15	NIL	NIL
iii. Exercise price is less than market price	225.83	NIL	NIL
Weighted average fair value of options granted during the year whose:			
i. Exercise price equals market price	NIL	NIL	NIL
ii. Exercise price is greater than market price	80.26	NIL	NIL
iii. Exercise price is less than market price	98.10	NIL	NIL
V. Employee-wise details of options granted during the financial year 2017-18 to:			
(i) Senior Managerial personnel.	Mr. A. Jethithor - 1,50,000 options Mr. S. Batra - 1,50,000 options	NIL	NIL
(ii) Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year	Mr. A. Jethithor - 1,50,000 options Mr. G. Ahuja - 70,000 options Mr. A. Gurnani - 70,000 options Mr. J. Kumbhar - 70,000 options Mr. R. Nadkarni - 70,000 options	NIL	NIL

	Mr. S. Nagar - 70,000 options Mr. S. Batra - 1,50,000 options		
(iii) Identified employees who were granted options, during any one year, equal to or exceeding 1 per cent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NIL	Mr. S. Khosla has been granted options under PSP1 and PSP2 scheme in excess of 1% of the issued capital.	
Method and Assumptions used to estimate the fair value of options granted during the year:			
The fair value has been calculated using the Black Scholes Option Pricing model			
The Assumptions used in the model are as follows:			
Particulars	ESOP	PSP 1	PSP 2
1. Risk Free Interest Rate	6.87%	No grants during the year	
2. Expected Life	5.01		
3. Expected Volatility	33.38%		
4. Dividend Yield	0.55%		
5. Price of the underlying share in market at the time of the option grant (₹)	221.56		

Details of ESOP	Crompton Stock Option Plan 2016 (ESOP 2016)	Crompton Performance Share Plan 1 2016 (PSP 1)	Crompton Performance Share Plan 2 2016 (PSP 2)
Weighted Average share price of Options exercised during the year: Rs. 244.43			
Exercise price and weighted average remaining contractual life of Outstanding Options			
Scheme Name	Number of Options Outstanding	Weighted Average Remaining Contractual Life (in years)	Exercise Price (₹)
ESOP 2016	31,56,404	6.29	194.36
PSP 1	1,09,68,057	6.89	92.83
PSP 2	31,33,731	6.89	185.66
Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Indian Accounting Standard (Ind AS) 33; "Earning Per Share"	5.15		

**D) Details related to ESPS**

Not Applicable

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