

Dhani Services Limited

(formerly Indiabulls Ventures Limited)

(CIN: L74110DL1995PLC069631)

Registered Office: 1/1 E, First Floor, East Patel Nagar, New Delhi-110008,

Tel: 011-41052775, Fax: 011-42137986

Website: www.dhani.com

Disclosure pursuant to Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as on March 31, 2022:

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.

The disclosures are provided in the note “43” of the notes to standalone financial statements of the Company for the financial year ended March 31, 2022.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 33 – Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time.

Re. (0.44)

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

(i). Description of ESOS that existed at any time during the year:

The Company has two Employees Stock Option Schemes namely, 'Dhani Services Limited Employees Stock Option Scheme – 2008' and 'Dhani Services Limited Employees Stock Option Scheme – 2009' each consisting of 2,00,00,000 (Two Crores) Equity Options, entitling the option holders to get an equivalent number of Equity Shares of face value Rs. 2/- each of the Company, upon exercise, at such price, in one or more tranches, and on such terms and conditions as may be decided by the Board (which term shall be deemed to include the Compensation Committee of the Board), under these schemes and/or amendments thereto and as allowed under prevailing laws, rules and regulations and/or amendments thereto, from time to time.

General terms and conditions of each ESOS are as under:

| Sr. No. | Particulars | Dhani Services Limited Employees Stock Option Scheme – 2008 | Dhani Services Limited Employees Stock Option Scheme – 2009 |
|----------------|--|--|--|
| a. | Date of shareholders' approval | January 19, 2009 | September 30, 2009 |
| b. | Total number of Options approved under ESOS | 2,00,00,000 stock options Representing 2,00,00,000 equity shares of Rs.2/- each | 2,00,00,000 stock options Representing 2,00,00,000 equity shares of Rs.2/- each |
| c. | Vesting Requirement | The Options would vest over a period of 1-10 years from the date of grant as per the relevant ESOS. | |
| d. | Exercise price or pricing formula | The latest available closing price on the National Stock Exchange of India Limited (on which the shares of the Company are listed and having the highest trading volume), prior to the meeting of the Compensation Committee of Board of Directors approving and granting the options. | |
| e. | Maximum term of options granted | 10 Years from each vesting date | |
| f. | Source of shares | Primary | |
| g. | Variation in terms of options | Nil | |

(ii). Method used to account for ESOS:

The Employees Stock Option Scheme ('the Scheme') provides for grant, vesting and exercise of options by its employees to acquire equity shares of the Company. The options granted to employees vest in a graded manner and may be exercised by the employees within a specified period as specified in the Scheme.

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The Company is following fair value method for accounting of ESOS as specified in IND AS 102. The employee benefit expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees will be allotted equity shares of the Company.

(iii). The difference between the employee compensation cost computed using the intrinsic value of options and the employee compensation cost that shall have been recognized if it had used the fair value of the options.

The Company is following Ind AS and using fair value for the accounting of Employee Stock Option Plans (ESOPs), the difference in above figures is not applicable.

(iv). Option movement during the year: (01.04.2021 – 31.03.2022)

| Particulars | Dhani Services Limited Employees Stock Option Scheme – 2008 | Dhani Services Limited Employees Stock Option Scheme – 2009 |
|---|---|---|
| Number of options outstanding at the beginning of the year | 47,11,600 | 52,61,200 |
| Number of options granted during the year | 35,00,000 | 1,82,00,000 |
| Number of options forfeited/ lapsed/Surrendered during the year | 17,89,400 | 98,12,800 |
| Number of options vested during the year | 19,27,800 | 12,62,800 |
| Number of options exercised during the year | 0 | 0 |
| Number of shares arising as a result of exercise of options | 0 | 0 |
| Money realised by exercise of options (Rs.in crore) | 0 | 0 |
| Loan repaid by the Trust during the year from exercise price received | 0 | 0 |
| Number of options outstanding at the end of the year | 64,22,200 | 1,36,48,400 |
| Number of options exercisable at the end of the year | 45,94,800 | 25,51,600 |

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

| Particulars | Dhani Services Limited Employees Stock Option Scheme – 2008 | Dhani Services Limited Employees Stock Option Scheme – 2009 |
|---|---|---|
| No. of ESOP exercised | 0 | 0 |
| Weighted-average exercise prices (Rs.) | 0 | 0 |
| Weighted-average fair values of options (Rs.) | 0 | 0 |

(vi). Employee wise details (name of employee, number of options granted during the year (01.04.2021 – 31.03.2022), exercise price) of options granted to:

| | Dhani Services Limited Employees Stock Option Scheme – 2008 | | | Dhani Services Limited Employees Stock Option Scheme – 2009 | | |
|--|---|----------------|----------------|---|----------------|----------------|
| | Name | Exercise Price | Option Granted | Name | Exercise Price | Option Granted |
| (a) Senior Managerial Personnel (Options granted during the year); | NIL | | | NIL | | |
| (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 | NIL | | | NIL | | |
| (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 | | | NIL | | |

(vii). A description of the method and significant assumptions used during the year to estimate the fair value of options:

The disclosures are provided in the note “43” of the notes to standalone financial statements of the Company for the financial year ended March 31, 2022.

D & E. Details related to ESBS and Stock Appreciation Rights (SARs)

The Company under its Dhani Services Limited - Employee Stock Benefit Scheme – 2019 (DSL ESBS 2019) had granted 1,04,00,000 SARs during FY 2020-21 to its employees and of its subsidiary companies. Further, during the FY 2021-22, the Company had granted 93,00,000 SARs to its group company employees under “Dhani Services Limited - Employee Stock Benefit Scheme – 2020” (DSL ESBS 2020). The contractual life of the SARs outstanding range is four years from the date of grant.

| Particulars | SARs under DSL ESBS 2019 | SARs under DSL ESBS 2020 |
|---|--------------------------|--------------------------|
| SARs outstanding at the beginning of the year | 1,04,00,000 | Nil |
| SARs granted during the year | Nil | 93,00,000 |
| SARs settled during the year | Nil | Nil |
| SARs lapsed during the year | Nil | Nil |
| SARs outstanding at the end of the year | 1,04,00,000 | 93,00,000 |

Details of SARs granted under **DSL ESBS 2019** and **DSL ESBS 2020** are as follows:

| Particulars | SARs under DSL ESBS 2019 | SARs under DSL ESBS 2020 |
|---|---|--|
| i) Description of each SAR scheme that existed at any time during the year | | |
| Date of shareholders' approval | December 4, 2019 | March 21, 2020 |
| Total number of shares approved under the SAR scheme | 1,05,00,000 | 93,00,000 |
| Vesting requirements | SARs shall vest in three equal tranches within three years after expiry of 1 year from the date of grant. | SARs shall vest in three equal tranches within three years after expiry of 1 year from the date of grant. |
| SAR price or pricing formula | Rs. 250/- | Rs. 250/- |
| Maximum term of SAR granted | The SARs granted shall vest in accordance with the terms of the each grant under the Scheme, subject to the minimum vesting period of 1 year. | First tranche of the shares granted under a scheme will get vested at the end of the first year from the date of grant, subsequent tranches will get vested thereafter at one year intervals with no tranche including the first tranche exceeding 35% of the total shares granted under a scheme. |

| | | |
|--|---|---|
| Method of settlement (whether in cash or equity) | Cash and / or Equity as would be decided by the Compensation Committee. | Cash and / or Equity as would be decided by the Compensation Committee. |
| Choice of settlement (with the company or the employee or combination) | With the Company | With the Company |
| Source of shares (primary, secondary or combination) | Secondary | Secondary |
| Variation in terms of scheme | - | - |
| ii) Method used to account for SAR – Intrinsic or fair value | | |
| Method used to account for SAR | Fair value | Fair value |
| iii) Where the company opts for expensing of SAR using the intrinsic value of SAR | | |
| Where the company opts for expensing of SAR using the intrinsic value of SAR, 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 SAR, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed. | N.A. (SARs has been accounted for at Fair Value) | N.A. (SARs has been accounted for at Fair Value) |
| iv) SAR movement during the year | | |
| Number of SARs outstanding at the beginning of the year | 1,04,00,000 | Nil |
| Number of SARs granted during the year | Nil | 93,00,000 |
| Number of SARs forfeited / lapsed during the year | Nil | N.A |
| Number of SARs vested during the year | 34,66,667 | N.A |
| Number of SARs exercised / settled during the Year | Nil | N.A |
| Number of SARs outstanding at the end of the Year | 1,04,00,000 | 93,00,000 |
| Number of SARs exercisable at the end of the year | 34,66,667 | N.A |
| v) Employee wise details of SARs granted during the year to | | |
| (i) Senior management personnel | NIL | Mr. Pinank Jayant Shah – 20,00,000 Mr. Sandeep Kadam -20,00,000 Mr. Nikhil R Chari – 15,00,000 Mr. Ankit Banga – 8,00,000 Mr. Akhil Gupta- 5,00,000 Mr. Anish William – 5,00,000 Mr. Amit Ajit Gandhi – 2,75,000 Mr. Vipin Chaudhary- 1,40,000 |

| | | |
|---|--------------------------------|--|
| | | Mr. Sandeep Jagdish Muzumdar- 1,00,000 Mr. Rajeev Lochan Agarwal – 90,000 Mr. Manish Rustagi - 90,000 Mr. Sanjeev Kashyap – 75,000 Mr. Lalit Sharma – 15,000 |
| (ii) Any other employee who receives a grant in any one year of amounting to 5% or more of SAR granted during that year | Mr. Anish William - 20,00,000 | Mr. Pinank Jayant Shah – 20,00,000 |
| | Mr. Sandeep Kadam – 17,22,000 | Mr. Suchit Subodh Mishra – 10,00,000 |
| | Mr. Nikhil R Chari - 15,00,000 | Mr. Anish William - 5,00,000 |
| | Mr. Ankit Banga - 8,00,000 | |
| (iii) Identified employees who were granted SAR, 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 | Nil |

Note: SARs granted hereinabove, under ESBS 2019 and ESBS 2022 were surrendered by the employees due to various reasons, during the current financial year 2022-23. Consequently all these SARs stand lapsed.

F. Not Applicable

G. Details related to Trust

(i) General information on all schemes

| Sl. No. | Particulars | Details |
|---------|---|---|
| 1 | Name of the Trust | Udaan Employee Welfare Trust” (formerly Indiabulls Ventures Limited – Employees Welfare Trust) |
| 2 | Details of the Trustee(s) | 1. Mr. Rajinder Singh Nandal 2. Mr. Ram Kumar Sheokand 3. Mr. Gulab Singh Chail |
| 3 | Amount of loan disbursed by company / any company in the group , during the year | Rs. 3.77 Cr |
| 4 | Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year | Rs. 15.57 Cr |
| 5 | Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee | Rs. 525.00 Cr |
| 6 | Any other contribution made to the Trust during the year | Nil |

(ii) Brief details of transactions in shares by the Trust

| Sl. No. | Particulars | Details |
|---------|---|--|
| 1 | Number of shares held at the beginning of the year; | 1,97,00,000 |
| 2 | Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, (iii) as a percentage of paid up equity capital as at the end of the previous financial year, (iv) weighted average cost of acquisition per share; | (i) Primary Acquisition : NIL (ii) Secondary Acquisition : 1,00,00,000 (iii) 1.64% (iv) Rs. 70.62 |
| 3 | Number of shares transferred to the employees / sold along with the purpose thereof | Nil |
| 4 | Number of shares held at the end of the year. | 2,97,00,000 |

(iii) In case of secondary acquisition of shares by the Trust

| Sl. No. | Particulars | Number of Shares | As a percentage of paid-up equity capital as at the end of the year |
|---------|---|------------------|---|
| 1 | Held at the beginning of the year (1 st April, 2021) | 1,97,00,000 | 3.23* |
| 2 | Acquired during the FY 2021-22 | 1,00,00,000 | 1.64% |
| 3 | Sold during the year | Nil | Nil |
| 4 | Transferred to the employees during the year | Nil | Nil |
| 5 | Held at the end of the year (31 st March, 2022) | 2,97,00,000 | 4.87** |

* Basis the paid up share capital of the Company as on March 31, 2021, comprised of comprised of 61,00,24,010 Equity Shares (52,71,14,892 Fully paid-up Equity Shares and 8,29,09,118 partly paid-up Equity Shares of face value of Rs. 2/- each).

** Basis the paid up share capital of the Company as on March 31, 2022, comprised of comprised of 60,99,47,910 Equity Shares (60,09,99,104 Fully paid-up Equity Shares and 89,48,806 partly paid-up Equity Shares of face value of Rs. 2/- each).