

Disclosures pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014, as at 31st March, 2016 are given below:

A. Details related to ESOS

- (i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -

PART B - HAVELLS EMPLOYEES STOCK OPTION PLAN 2013 of the Havells Employees Long-Term Incentive Plan 2014 was introduced in the financial year 2012-13. The Plan is administered by the Havells Employees Welfare Trust under the supervision of the Nomination and Remuneration Committee of the Board of Directors of the Company. Under the Plan, the total Shares Exercised by the Eligible Employees were allotted to the Trust and thereafter 50% of such Shares were transferred to the Eligible Employees after a period of 1 year and remaining 50% after a period of 2 years. Benefit Entitlement under ESOP was made in respect of financial year 2012-13 in subsequent FYs 14-15 and 15-16 i.e. the transfer of shares from Trust to employees in 2 tranches of 50% each in financial year 14-15 and 15-16.

- (a) Date of shareholders' approval – Special Resolution was passed by way of Postal Ballot on 23rd March, 2013 and further amended by Special Resolution passed by way of Postal Ballot on 9th June, 2014
- (b) Total number of options approved under ESOS – 45,939 Options (equivalent to 45,939 shares of Rs. 5/- each) were granted on 8th April, 2013 for benefit entitlement of FY 2012-13.
- (c) Vesting requirements – The Options are vested equally over a period of 2 years after the date of Grant
- (d) Exercise price or pricing formula – The Exercise Price for the purpose of grant of options was 50% of the Option Price of the shares on the Relevant Date.
- (e) Maximum term of options granted – 2 years
- (f) Source of shares (primary, secondary or combination) – Primary
- (g) Variation in terms of options – None except the corporate action by the Company in August, 2014, whereby shares of Rs. 5/- each were sub-divided into 5 shares of Re. 1/- each.
- (ii) Method used to account for ESOS – Intrinsic or fair value - Intrinsic
- (iii) 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.

The Company measures the cost of ESOP using the intrinsic value method. Had the Company used the fair value model to determine the compensation, there would be no change in its profit after tax and earnings per share as reported for the financial year 2015-16.

- (iv) Option movement during the year (For each ESOS):
 - Opening balance as at 1-4-2015 – 90,550
 - Lapsed (forfeited) during the year 2015-16 – 2,285
 - Issued upon exercise during the year 2015-16 – 88,265
 - Closing balance as at 31-3-2016 – Nil

- (v) 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.
Weighted average exercise price – Rs. 67.70
Weighted average fair value of Options – Nil

- (vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -
 - (a) Senior managerial personnel: Names of employees are not disclosed in view of the sensitivity involved.
 - (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: None
 - (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: None

- (vii) 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: NA
 - (b) the method used and the assumptions made to incorporate the effects of expected early exercise: NA
 - (c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility: NA
 - (d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition: NA

Disclosures in respect of grants made in three years prior to IPO under each ESOS

- (i) Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made.
Not Applicable.

D. Details related to ESPS

- (i) The following details on each ESPS under which allotments were made during the year:
- (a) Date of shareholders' approval – 9th June, 2014
 - (b) Number of shares issued – 99,745 Equity Shares of re. 1/- each
 - (c) The price at which such shares are issued – Rs. 293.90
 - (d) Lock-in period – 50% of the shares under lock-in for 1 year from the date of allotment and 50% of the shares under lock-in for 2 years from the date of allotment
- (ii) The following details regarding allotment made under each ESPS, as at the end of the year:

Particulars	Details
The details of the number of shares issued under ESPS	99,745 Equity Shares were issued under LTIP 2014 on 14 th May, 2015 for the benefit entitlement of 2014-15
The price at which such shares are issued	Rs. 293.90
Employee-wise details of the shares issued to; (i) senior managerial personnel; (ii) any other employee who is issued shares in any one year amounting to 5% or more shares issued during that year; (iii) identified employees who were issued shares during any one year equal to or exceeding 1% of the issued capital of the company at the time of issuance;	Allotment made to 90 Employees. Shri Rajesh Kumar Gupta – 11,549 (11.58%) Shri Rajiv Goel – 5,784 (5.8%) None.
Consideration received against the issuance of shares, if scheme is implemented directly by the company	Rs. 2,93,15,055.50*
Loan repaid by the Trust during the year from exercise price received	Not Applicable.

* Including Rs. 17,00,822 contributed by the Company to the Trust.

Details related to Trust

The following details, *inter alia*, in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are to be disclosed:

(i) General information on all schemes

Sl. No.	Particulars	Details
1	Name of the Trust	Havells Employees Welfare Trust
2	Details of the Trustee(s)	1. Shri Anil Kumar Bhasin 2. Shri Bhagirath Singh Galgat 3. Shri Sanjay Johri
3	Amount of loan disbursed by company / any company in the group, during the year	Nil.
4	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	Rs. 56,81,384
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	Nil
6	Any other contribution made to the Trust during the year	Rs. 17,00,822

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

- (a) Number of shares held at the beginning of the year: 1,30,225 Equity Shares of Re. 1/- each.
- (b) Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share: Nil.
- (c) Number of shares transferred to the employees / sold along with the purpose thereof: 88,265 Equity Shares transferred to the employees beneficiaries on 8th May, 2015, being the 2nd tranche of benefit entitlement of FY 2012-13 under the ESOP 2013.
- (d) Number of shares held at the end of the year: 41,960 Equity Shares of Re. 1/- each.