



**INDIABULLS HOUSING FINANCE LIMITED**

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**Disclosure pursuant to Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as on March 31, 2021:**

**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 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.

The Company follows the intrinsic value method to account for its stock-based employee compensation plans. Company cost is measured by the excess, if any, of the market price of the shares over the exercise price as determined in accordance with the Scheme. The market price is the latest closing price on the National Stock Exchange of India Limited, the stock exchange on which the shares are listed and having highest trading volume prior to the meeting of the Compensation Committee of Directors, at which the options are approved and granted. Compensation cost, if any, is amortised over the vesting period.

Since the options under IHFL-IBFSL Employees Stock Option Plan – 2006 (IHFL-IBFSL ESOP 2006), IHFL-IBFSL Employees Stock Option Plan II – 2006 (IHFL- IBFSL ESOP II 2006), IHFL-IBFSL Employees Stock Option – 2008 (IHFL-IBFSL ESOP 2008) and Indiabulls Housing Finance Limited Employees Stock Option Scheme, 2013 (IHFL ESOP 2013) were granted at the market price, the intrinsic value of the options is Nil. Consequently, the accounting value of the option (compensation cost) is also Nil.

Accordingly, the impact on profits and on EPS of the Company is Nil.

**B. 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.**

₹ 23.71

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

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

Sr. No.	Particulars	IHFL-IBFSL Employees Stock Option Plan II – 2006	IHFL-IBFSL Employees Stock Option – 2008	IHFL ESOS – 2013	IHFL- IBFSL Employees Stock Option – 2008- Regrant	IHFL- IBFSL Employees Stock Option – 2008- Regrant	IHFL- IBFSL Employees Stock Option Plan – 2006 - Regrant	IHFL- IBFSL Employees Stock Option – 2008 - Regrant	IHFL- IBFSL Employees Stock Option Plan II – 2006 - Regrant	IHFL ESOS – 2013- Regrant	IHFL ESOS – 2013- Regrant	IHFL ESOS – 2013- Regrant	IHFL ESOS – 2013- Regrant
a.	Date of shareholders' approval	July 1, 2013	July 1, 2013	March 6, 2013	July 1, 2013	July 1, 2013	July 1, 2013	July 1, 2013	July 1, 2013	March 6, 2013	March 6, 2013	March 9, 2019	October 4 2020
b.	Total number of Options approved under ESOS	7,20,000	75,00,000	3,90,00,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
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	100	95.95	394.75	125.9	158.5	95.95	153.65	100	1156.5	1200.4	702	200
e.	Maximum term of options granted	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 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 Company has used Fair value method to account for the compensation cost of stock options to employees of the Company. The Fair value of the options are determined using the Black-Scholes Merton Option Pricing Model.

iii. The difference between the employee compensation costs 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.

N.A.

iv. Option movement during the year:

Particulars	IHFL-IBFSL Employees Stock Option Plan II – 2006	IHFL-IBFSL Employees Stock Option – 2008	IHFL ESOS – 2013	IHFL-IBFSL Employees Stock Option – 2008- Regrant	IHFL-IBFSL Employees Stock Option – 2008- Regrant	IHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant	IHFL-IBFSL Employees Stock Option – 2008 - Regrant	IHFL-IBFSL Employees Stock Option Plan II – 2006 - Regrant	IHFL ESOS - 2013- Regrant	IHFL ESOS - 2013- Regrant	IHFL ESOS - 2013- Regrant	IHFL ESOS – 2013- Regrant
Number of options outstanding at the beginning of the year (Nos.)	1,152	15,864	37,89,756	10,890	38,880	39,500	3,000	21,900	77,24,000	-	68,82,400	0
Number of options granted during the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	-	1,25,00,000
Number of options forfeited/ lapsed during the year	0	267	93,000	0	0	0	0	0	22,70,900	0	19,96,600	4,12,642
Number of options vested during the year	0	0	0	0	19440	0	1500	0	0	0	0	0

Number of options exercised during the year	-	-	-	-	-	-	-	-	-	-	-	-
Number of shares arising as a result of exercise of options	-	-	-	-	-	-	-	-	-	-	-	-
Money realized by exercise of options (in crore)	-	-	-	-	-	-	-	-	-	-	-	-
Number of options outstanding at the end of the year	1,152	15,597	36,96,756	10,890	38,880	39,500	3,000	21,900	54,53,100	0	48,85,800	1,20,87,358
Number of options exercisable at the end of the year	1,152	15,597	36,96,756	10,890	38,880	39,500	3,000	21,900	18,17,700	-	-	-

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

Details	Date of Grant	No. of Options Granted	Exercise Price (Rs.)	weighted average exercise price	Weighted Average Fair Value (Rs.)
IHFL ESOS - 2013 (Grant 4)	09 March 2019	10,000,000	702.00	702.00	126.96



vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information: -

<b>Particulars</b>	<b>HFL ESOS - 2013 (Grant )</b>
Exercise price (Rs.)	200.00
Expected volatility*	39.95%
Expected forfeiture percentage on each vesting date	Nil
Option Life (Weighted Average)	2 Years
Expected Dividends yield	0%
Weighted Average Fair Value (Rs.)	27.4
Risk Free Interest rate	5.92%

\*The expected volatility was determined based on historical volatility data.

#### **D. Details related to Stock Appreciation Rights (SARs)**

The Company under its Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme 2019 (IBH ESBS 2019) had granted 1,70,00,000 SARs during FY20-21 to its employees and of its subsidiary companies. The contractual life of the SARs outstanding range are four years from the date of grant.

<b>Particulars</b>	<b>SARs under IBH ESBS 2019</b>
SARs outstanding at the beginning of theyear	Nil
SARs granted during the year	1,70,00,000
SARs settled during the year	Nil
SARs lapsed during the year	Nil
SARs outstanding at the end of the year	1,70,00,000

Details of SARs granted under IBH ESBS 2019 are as follows:

<b>Particulars</b>	<b>SARs under IBH ESBS 2019</b>
<b>i) Description of each SAR scheme that existed at any time during the year</b>	
Date of shareholders' approval	23 <sup>rd</sup> December, 2019
Total number of shares approved under theSAR scheme	1,70,00,000
Vesting requirements	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	First Year : Rs. 225, Second Year : Rs. 275, Third Year : Rs. 300
Maximum term of SAR granted	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.
Choice of settlement (with the company or theemployee or combination)	-
Source of shares (primary, secondary orcombination)	-
Variation in terms of scheme	-

<b>ii) Method used to account for SAR – Intrinsic or fair value</b>	
Method used to account for SAR	Fair Value
<b>iii) Where the company opts for expensing of SAR using the intrinsic value of SAR</b>	
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)
<b>iv) SAR movement during the year</b>	
Number of SARs outstanding at the beginning of the year	Nil
Number of SARs granted during the year	1,70,00,000
Number of SARs forfeited / lapsed during theyear	Nil
Number of SARs vested during the year	Nil
Number of SARs exercised / settled during the Year	Nil
Number of SARs outstanding at the end of the Year	1,70,00,000
Number of SARs exercisable at the end of theyear	-
<b>v) Employee wise details of SARs granted during the year to</b>	
(i) Senior management personnel	Mr. Gagan Banga – 3,825,000 Mr. Ajit Kumar Mittal -750,000 Mr. Ashwini Omprakash Kumar - 450,000 Mr. Sachin Chaudhary- 525,000 Mr. Mukesh Garg – 450,000 Mr. Amit Jain - 20,000
(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. Saket Bahuguna-1,000,000
(iii) Identified employees who were grantedSAR, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of theCompany at the time of grant	Nil



## G. Details related to Trust

### (i) General information on all schemes

SI. No.	Particulars	Details
1	Name of the Trust	Pragati Employee Welfare Trust (formerly Indiabulls Housing Finance 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 / <del>any company in the group</del> , during the year	INR 751,000,000/-
4	Amount of loan outstanding (repayable to company / <del>any company in the group</del> ) as at the end of the year	INR 673,000,000/-
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	Nil

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

SI. No.	Particulars	Details
1	Number of shares held at the beginning of the year;	84,00,000
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 : 86,00,000 (iii) 1.72% (iv) Rs. 165.99
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.	170,00,000

(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 <sup>st</sup> April, 2020)	84,00,000	1.97*
2	Acquired during the year (FY 2020-21)	86,00,000	1.86**
3	Sold during the year	NIL	0.00
4	Transferred to the employees during the year	NIL	0.00
5	Held at the end of the year (31 <sup>st</sup> March, 2021)	170,00,000	3.98**

\* Basis the paid up share capital of the Company as on March 31, 2019, comprised of 42,74,03,339 Equity Shares of Rs. 2/- each. Shareholders' approval was taken on December 23, 2019.

\*\* Basis the paid up share capital of the Company as on March 31, 2021, comprised of 46,23,48,902 Equity Shares of Rs. 2/- each.