

Disclosures pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI Circular no. CIR/CFD/POLICY CELL/2/2015 dated 16th June, 2015

Westlife Development Limited Employees Stock Option Scheme 2013 ('the Scheme')

A	Terms of the 'Guidance note on accounting for employee share-based payments'	<p>The Company provides share-based payment schemes to its employees. During the year ended March 31, 2015, an employee stock option plan (ESOP) was in existence. The relevant details of the Scheme and the grant are as below:</p> <p>On September 18, 2013, the board of directors approved the Scheme for issue of stock options to the key employees and directors of the Company and its subsidiary company. According to the Scheme, the employee selected by the Nomination and Remuneration Committee from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions. The contractual life (comprising the vesting period and the exercise period) of options granted is 8.07 years. The other relevant terms of the grant are as below:</p> <table border="0" data-bbox="683 1016 1390 1088"> <tr> <td>Vesting period</td> <td>Grant vesting - 20% every year</td> </tr> <tr> <td>Exercise period</td> <td>10.01 years</td> </tr> </table>	Vesting period	Grant vesting - 20% every year	Exercise period	10.01 years
Vesting period	Grant vesting - 20% every year					
Exercise period	10.01 years					
B	Diluted Earnings Per Share (EPS) on issue of shares pursuant to the Scheme in accordance with 'Accounting Standard 20 - Earnings Per Share'	Rs. (1.87)				
C	Details of the Scheme:					
1	Date of Shareholders' approval	30 th October, 2013				
2	Total number of options approved	15,00,000 equity shares of Rs. 2/- each				
3	Vesting requirements	The lock in period between grant and vesting is twelve months and there is no lock in period after the exercise. There shall be a vesting period of one (1) year between grant and vesting of options, and the options granted would not vest more than 5 (five) year from the date of grant of such options.				
4	Exercise price	Rs 100/-, Rs 200/-, Rs 275/-, Rs 300/-				
5	Maximum term of options granted	Five years from the date of grant of options				
6	Source of shares	Primary Market (new shares allotted against exercise of stock options)				
7	Variation in terms of options	No variation in terms of options				

8	Method used to account	Intrinsic Value Method		
9	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 compensation, its profit after tax and earnings per share as reported would have changed to the amounts indicated below:		
		Particulars	March 31, 2015	March 31, 2014
		Profit / (Loss) after tax as reported(Rs Mn)	(291.10)	9.53
		Add: ESOP cost using the intrinsic value method (Rs Mn)	17.83	4.00
		Less: ESOP cost using the fair value method (Rs Mn)	(21.37)	(4.85)
		Proforma profit after tax (Rs Mn)	(294.64)	8.68
		Earnings Per Share (Rs)		
		Basic		
		- As reported	(1.87)	0.07
		- Proforma	(1.89)	0.07
		Diluted		
	- As reported	(1.87)	0.07	
	- Proforma	(1.89)	0.07	
10	Option movement during the year			
a	Number of options outstanding at the beginning of the period	3,62,000 equity shares		
b	Number of options granted during the year	15,000 equity shares		
c	Number of options forfeited / lapsed during the year	44,000 equity shares		
d	Number of options vested during the year	67,200 equity shares		
e	Number of options exercised during the year	Nil		
f	Number of shares arising as a result of exercise of options	Nil		
g	Money realized by exercise of options (INR), if scheme is implemented directly by the company	Nil		
h	Loan repaid by the Trust during the year from exercise price received	N.A		
i	Number of options outstanding at the end of the	3,33,000 equity shares		

	year	
j	Number of options exercisable at the end of the year	63,600 equity shares
11	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.	No options exercised during the period.
12	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to:	<ul style="list-style-type: none"> • Name of Employee: Kedar Teny • Designation: Director - Marketing & Digital (of the subsidiary, Hardcastle Restaurants Pvt Ltd) • Number of options granted: 15,000 • Exercise price: Rs. 275
13	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	Option pricing model used : Black Scholes Model
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;	Weighted average share price (Rs.) 305.00 Exercise Price (Rs) 275.00 Expected volatility 0.00% Option life (comprising vesting period + exercise period) 5 years Expected Dividends 0.00% Risk-free interest rate 8.72% No other inputs used
b)	the method used and the assumptions made to incorporate the effects of expected early exercise;	Not Applicable
c)	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Not Applicable
d)	whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	Not Applicable