



**AAVAS FINANCIERS LIMITED**

CIN: L65922RJ2011PLC034297

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**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 accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time:**

The disclosure is provided in Notes 32 to the Standalone Financial Statements of the Company for the financial year ended March 31, 2022.

**B. Diluted EPS on issue of shares:** Rs. 45.02

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

<b>(i) Description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including:-</b>									
<b>Sr. No.</b>	<b>Particulars</b>	<b>ESOP 2016 I (a)</b>	<b>ESOP 2016 I (b)</b>	<b>ESOP 2016 II</b>	<b>ESOP 2016 III</b>	<b>ESOP 2019</b>	<b>ESOP 2020</b>	<b>ESOP 2021</b>	<b>Total</b>
<b>a.</b>	<b>Date of shareholders' approval</b>	ESOP 2016 was approved by the Shareholders of the Company by a Special Resolution passed on February 23, 2017.				ESOP 2019 was approved by the Shareholders of the Company by a Special Resolution passed on August 01, 2019.	ESOP 2020 was approved by the Shareholders of the Company by a Special Resolution passed on July 22, 2020.	ESOP 2021 was approved by the Shareholders of the Company by a Special Resolution passed on August 10, 2021.	-
<b>b.</b>	<b>Date of Grant</b>	February 23, 2017	January 24, 2018	February 23, 2017	February 23, 2017	October 03, 2019	July 13, 2021	August 18, 2021	-
<b>c.</b>	<b>Options granted/approved</b>	9,80,118	4,24,687	34,45,610	7,19,084	3,00,000	3,00,000	3,00,000	<b>64,69,499</b>
<b>d.</b>	<b>Vesting Requirement</b>	ESOPs will vest not earlier than One (1) year and not more than Five (5) years from the date of Grant of option.							

e.	Exercise Price or Pricing Formula	215.25	328	215.25	215.25	1580.20	2887.05	2477.15	-
f.	Maximum term of Options granted	Four (4) years from the date of each vesting.							
g.	Source of shares	Primary							
h.	Variations in terms of ESOP	No variation							
<b>ii) Method used to account for ESOS-Intrinsic or fair value</b>									
Calculation is based on Fair Value Method.									
<b>iii) Where the Company opts for expensing the options using the intrinsic value of the Options</b>									
a.	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	N.A.							
b.	The impact of this difference on profits and on EPS of the Company	N.A.							
<b>iv) Option movement during the year (For each ESOS)</b>									
	Number of options outstanding at the beginning of the Period	1,93,462	2,24,049	-	2,69,656	3,00,000	-	-	
	Number of options granted during the year	-	-	-	-	-	3,00,000	3,00,000	
	Number of options forfeited/ lapsed during the year	21,734	29,977	-	-	-	-	-	
	Number of options vested during the year	1,45,380	72,657	-	2,69,656	60,000	NA	NA	
	Number of options exercised during the year #	1,44,007	70,897	-	2,34,656	-	-	-	

	Number of shares arising as a result of exercise of options #	1,44,007	70,897	-	2,34,656	-	-	-	
	Money realizes by exercise of options, if scheme is implemented directly by the Company (In Rs.)	3,09,97,507	2,32,54,216	-	5,05,09,704	-	-	-	
	Loan repaid by the Trust during the year from exercise price received	-	-	-	-	-	-	-	
	Number of options outstanding at the end of the year *	27,721	1,23,175	-	35,000	3,00,000	3,00,000	3,00,000	
	Number of Options exercisable at the end of the year *	27,721	81,690	-	35,000	1,20,000	-	-	
<b>v) Weighted-average exercise prices and weighted-average fair values of option</b>									
a.	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	All the options were granted at an exercise price of Rs. 215.25 per option and hence the Weighted average price is Rs. 215.25 per option and the weighted average fair value of options is Rs. 94.37	All the options were granted at an exercise price of Rs. 328 per option and hence the Weighted average price is Rs. 328.00 per option and the weighted average fair value of options is Rs. 152.00	All the options were granted at an exercise price of Rs. 215.25 per option and hence the Weighted average price is Rs. 215.25 per option and the weighted average fair value of options is Rs 106.24	All the options were granted at an exercise price of Rs. 215.25 per option and hence the Weighted average price is Rs. 215.25 per option and the weighted average fair value of options is Rs 104.66	All the options were granted at an exercise price of Rs. 1580.20 per option and hence the Weighted average price is Rs. 1580.20 per option and the weighted average fair value of options is Rs 652.27	All the options were granted at an exercise price of Rs. 2887.05 per option and hence the Weighted average price is Rs. 2887.05 per option and the weighted average fair value of options is Rs 1096.52	All the options were granted at an exercise price of Rs. 2477.15 per option and hence the Weighted average price is Rs. 2477.15 per option and the weighted average fair value of options is Rs 665.43	
<b>vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted: -</b>									
a.	Senior Managerial Personnel	NA				NIL	Name: Sharad Pathak Designation: Company Secretary & Compliance Officer Number of Options Granted: 5000 Exercise Price:2477.15		
b.	Any other employee who receives a grant in any one year of option amounting to 5% or more					NIL	NIL		

	of option granted during the year																												
c.	Identified employee 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																								
<b>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>																													
a.	<p>the weighted-average values of share price (in Rs)</p> <p>exercise price: (In Rs)</p> <p>expected volatility</p> <p>expected option life</p> <p>Expected dividend</p> <p>the risk-free interest rate</p>	NA	<p>exercise price: (In Rs): 2887.05</p> <p>expected volatility: 30.39%</p> <p>expected option life:</p> <table border="1"> <tr> <td>Life of the options granted (years)*</td> <td></td> </tr> <tr> <td>First Vesting</td> <td>1 years</td> </tr> <tr> <td>Second Vesting</td> <td>2 years</td> </tr> <tr> <td>Third Vesting</td> <td>3 years</td> </tr> <tr> <td>Fourth Vesting</td> <td>4 years</td> </tr> <tr> <td>Fifth Vesting</td> <td>5 years</td> </tr> </table> <p>Expected dividend : 0%</p> <p>the risk-free interest rate : 5.91%</p>	Life of the options granted (years)*		First Vesting	1 years	Second Vesting	2 years	Third Vesting	3 years	Fourth Vesting	4 years	Fifth Vesting	5 years	<p>exercise price: (In Rs): 2477.15</p> <p>expected volatility: 28.58%</p> <p>expected option life:</p> <table border="1"> <tr> <td>Life of the options granted (years)*</td> <td></td> </tr> <tr> <td>First Vesting</td> <td>1 years</td> </tr> <tr> <td>Second Vesting</td> <td>2 years</td> </tr> <tr> <td>Third Vesting</td> <td>3 years</td> </tr> <tr> <td>Fourth Vesting</td> <td>4 years</td> </tr> <tr> <td>Fifth Vesting</td> <td>5 years</td> </tr> </table> <p>Expected dividend : 0%</p> <p>the risk-free interest rate : 6.28%</p>	Life of the options granted (years)*		First Vesting	1 years	Second Vesting	2 years	Third Vesting	3 years	Fourth Vesting	4 years	Fifth Vesting	5 years	
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b.	the method used and the assumptions made to incorporate the effects of expected early exercise		The fair value has been measured using black scholes formula which presumes the option will be exercised at the end of the term.	The fair value has been measured using black scholes formula which presumes the option will be exercised at the end of the term.																									
c.	how expected volatility was determined, including an explanation of the extent to which expected volatility was		expected volatility was determined based on the historical price data on the stock exchange of similar enterprises.	expected volatility was determined based on the historical price data on the stock exchange of similar enterprises.																									

	<b>based on historical volatility</b>				
<b>d.</b>	<b>whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition</b>		The fair value is calculated using Black Scholes (Option pricing) Model.	The fair value is calculated using Black Scholes (Option pricing) model	

Note:

#This includes options exercised during the F.Y ended March 31, 2022 and allotted in subsequent year.

\*This does not include options exercised during the F.Y ended March 31, 2022 and allotted in subsequent year.

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