

<b>Disclosures pursuant to Regulation 14 of the SEBI (Share Based Employee Benefit) Regulations 2014 as at March 31, 2021</b>	
<b>Particulars</b>	<b>Magma HDI General Insurance Company Limited - Employee Stock Option Plan 2018 (MHDI ESOP 2018)</b>
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.	Refer Note 17.22 annexed to the financial statements
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.	Diluted EPS Rs 1.26 Refer Note 17.23 annexed to the financial statements
<b>Date of shareholders' approval</b>	17-Apr-18
<b>Total number of options approved under ESOS</b>	45,00,000 (Forty Five Lacs only)
<b>Vesting requirements</b>	Given Separately in Annexure A
<b>Options Lapsed</b>	Given Separately in Annexure A
<b>Exercise price or pricing formula</b>	Given Separately in Annexure A
<b>Maximum term of options granted</b>	4 Years
<b>Source of shares (primary, secondary or combination)</b>	Combination
<b>Variation in terms of options</b>	Given Separately in Annexure A
<b>Method used to account for ESOS - Intrinsic or fair value.</b>	Fair Value
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.	NA, since the Company follows Fair Value method
<b>Option movement during the year (For each ESOS):</b>	Given Separately in Annexure A
<b>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.</b>	Given Separately in Annexure A
<b>Employee wise details of options granted to:</b>	
(a) senior managerial personnel;	Given Separately in Annexure B (Present Employee)
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	Given Separately in Annexure C (Present Employee)
(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
<b>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) 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;	Given Separately in Annexure A
(b) the method used and the assumptions made to incorporate the effects of expected early exercise;	Method used is Black Scholes Method and the expected life of the options has been estimated on the basis of average of minimum and maximum life of the Options
(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Volatility is the annualised standard deviation of the continuously compounded rate of the return of the stock over a period of time.  It has been calculated over a period prior to the date of grant, corresponding with the expected life of the options being valued.  Since the Company is not listed, volatility of listed peer for the said period has been considered
(d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	No other feature has been considered for fair valuation of Options
<b>Details Relating to the Trust</b>	Given Separately in Annexure D

## Annexure A

## Option movement during the year 2020-21

		MHDI ESOP 2018			
Sl. No.	Description	(Grant 1)	(Grant 2)	(Grant 3)	(Grant 4)
1	Number of Options outstanding at the beginning of the period	637494	896000	0	0
2	Number of options granted	0	0	992500	430000
3	Number of Options forfeited/lapsed during the year	0	0	0	0
4	Options vested during the year	342938	268,800	Nil as the criteria for vesting has not yet been met	Nil as the criteria for vesting has not yet been met
5	Options exercised during the year	152623	0	0	0
6	Total number of equity shares of Rs. 10/ each arising as a result of exercise of options	152623	0	0	0
7	Money realized by exercise of options (In Rs.)	6730674	0	0	0
8	Loan repaid by the Trust during the year from exercise price received	6730674	0	0	0
9	Total number of options outstanding at the end of the year	484871	896000	992500	430000
10	Number of Options exercisable at the end of the year	484871	268,800	N.A	N.A
11	Vesting Requirements	The vesting schedule of the Options under tranche 1 MHDI ESOP 2018 as under: a. 30% of the Options shall Vest on the expiry of 12 months from the date of the Grant; b. 30% of the Options shall Vest on the expiry of 18 months from the date of Grant; and c. 40% of the Options shall Vest on the expiry of 30 months from the date of Grant;	The vesting schedule of the Options under tranche 2 MHDI ESOP 2018 as under: a. 30% of the Options shall Vest on the expiry of 12 months from the date of the Grant; b. 30% of the Options shall Vest on the expiry of 15 months from the date of Grant; and c. 40% of the Options shall Vest on the expiry of 27 months from the date of Grant;	The vesting schedule of the Options under tranche 3 MHDI ESOP 2018 as under: a. 30% of the Options shall Vest on the expiry of 12 months from the date of the Grant; b. 30% of the Options shall Vest on the expiry of 18 months from the date of Grant; and c. 40% of the Options shall Vest on the expiry of 30 months from the date of Grant;	Vesting Period – 100% of options will vest on successful completion of vesting condition subject to completion of 1 year from the date of grant
12	Exercise Price or Pricing Formula	Rs.44.10	Rs.42.08	Rs.50.46	Rs.50.46
13	Weighted-average exercise prices (In Rs.)	Rs.44.10	Rs.42.08	Rs.50.46	Rs.50.46
14	Weighted-average fair values	Rs.33.34	Rs.14.52	Rs.18.70	Rs.16.49
15	Fair value of each options based on Black Scholes Methodology	Rs.33.34	Rs.14.52	Rs.18.70	Rs.16.49
<b>Assumptions</b>					
	Risk free rate	6.56% to 7.23%	6.30% to 6.45%	4.69% to 5.21%	4.69%
	Expected life of options	2 to 4 Years	3 to 4 Years	3 to 5 Years	3 Years
	Expected volatility	28.03%	34.65%	40.51%	40.51%
	Expected dividend	NIL	NIL	NIL	NIL
16	Variation of terms of options	NRC and Board have approved acceleration of vesting in certain circumstances for certain employees.	NRC and Board have approved acceleration of vesting in certain circumstances for certain employees.	NRC and Board have approved acceleration of vesting in certain circumstances for certain employees.	-

**Annexure B**

List of Senior Management Employees to whom stock options were granted during the year						
Plan Name	Name of Employee	Date of Grant of Options	Grant	Designation	Number of options granted during the year	Exercise Price (in Rs.)
MHDI ESOP 2018	Rajive Kumaraswami	22-Oct-20	3	Managing Director & Chief Executive Officer	200,000	50.46
		21-Jan-21	4		203,250	50.46
	Vikas Mittal	22-Oct-20	3	Deputy CEO	100,000	50.46
		21-Jan-21	4		102,000	50.46
	Amit Bhandari	22-Oct-20	3	Chief Technical Officer	67,500	50.46
		21-Jan-21	4		68,750	50.46
	Gaurav Parasrampur	22-Oct-20	3	Chief Financial Officer	55,000	50.46
		21-Jan-21	4		56,000	50.46

**Annexure C**

<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 of grant</b>						
<b>Plan Name</b>	<b>Name of Employee</b>	<b>Date of Grant of Options</b>	<b>Grant</b>	<b>Designation</b>	<b>Number of options granted during the year</b>	<b>Exercise Price (in Rs.)</b>
MHDI ESOP 2018	Rajive Kumaraswami	22-Oct-20	3	Managing Director & Chief Executive Officer	200,000	50.46
		21-Jan-21	4		203,250	50.46
	Vikas Mittal	22-Oct-20	3	Deputy CEO	100,000	50.46
		21-Jan-21	4		102,000	50.46
	Amit Bhandari	22-Oct-20	3	Chief Technical Officer	67,500	50.46
		21-Jan-21	4		68,750	50.46
	Gaurav Parasrampurua	22-Oct-20	3	Chief Financial Officer	55,000	50.46
		21-Jan-21	4		56,000	50.46

**Annexure D**

<b>Details relating to the Trust</b>		
<b>Sl. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Name of the Trust	Magma HDI ESOP Trust
2	Details of Trustee(s)	1. Mr. Paritosh Sinha, Senior Advocate 2. Mr. Vinod Kothari, Practicing Company Secretary (both of whom are eminent personalities in their respective Fields)
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. 3,46,73,295.45
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.10,000
<b>Brief details of transactions in shares by the Trust</b>		
<b>Sl. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Number of shares held at the beginning of the year*	665704
2	<b>Number of shares acquired during the year through</b> (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	-
3	Number of shares transferred to the employees / sold along with the purpose thereof	152623 (Pursuant to Exercise of Option under MHDI ESOP PLAN 2018)
4	Number of shares held at the end of the year*	513081
<b>Note:</b>		
1. Under MHDI ESOP PLAN 2018, Beneficial Interest is transferred to employee upon exercise of Options and Trust remains the Registered Owner.		
2. * Shares for which Trust is both Registered and Beneficial Owner are considered		
<b>In case of secondary acquisition of shares by the Trust</b>		
<b>Sl. No.</b>	<b>Number of shares</b>	<b>As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained</b>
1	Held at the beginning of the year	-
2	Acquired during the year	-
3	Sold during the year	-
4	Transferred to the employees during the year	-
5	Held at the end of the year	-