



**INFRA RESOURCES
SORIL INFRA RESOURCES LIMITED**

CIN: L52190HR2005PLC077960

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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, 2020:

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.

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The Company is following fair value method for accounting of ESOS as specified in IND AS 102. The employee benefit expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees will be allotted equity shares of the Company.

The Company is allowed to apply Ind AS 102, Shared-Based Payment, to equity instruments that remain unvested as of transition date. The Company has elected to avail itself of this exemption and apply the requirements of Ind AS 102 to all such grants under the scheme. Accordingly, these options have been measured at fair value as against intrinsic value previously under IGAAP.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Indian Accounting Standard (Ind AS) 33 – Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

Diluted EPS of the Company is INR -1.65

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	SORIL Infra Resources Limited Employee Stock Option Scheme – 2009	SORIL Infra Resources Limited Employee Stock Option Scheme – 2009(II)
a.	Date of shareholders' approval	February 9, 2009	September 30, 2009
b.	Total number of Options approved under ESOS	1,500,000	3,000,000
c.	Vesting Requirement	The stock options so granted, shall vest in the eligible employees within 5 years beginning from first vesting date.	The stock options so granted, shall vest in the eligible employees within 5 years beginning from first vesting date.
d.	Exercise price or pricing formula	Exercise price is/ will be the market price of the equity shares of the Company, being the latest available closing price, prior to the date of grant or the price as may be decided by the Board.	
e.	Maximum term of options granted	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 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.

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The Company is following fair value method for accounting of ESOS as specified in IND AS 102. The employee benefit expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees will be allotted equity shares of the Company.

The Company is allowed to apply Ind AS 102, Shared-Based Payment, to equity instruments that remain unvested as of transition date. The Company has elected to avail itself of this exemption and apply the requirements of Ind AS 102 to all such grants under the scheme. Accordingly, these options have been measured at fair value as against intrinsic value previously under IGAAP.

- iii. The difference between the employee compensation cost 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.

The Company is following Ind AS and using fair value for the accounting of Employee Stock Option Plans (ESOPs), the difference in above figures is not applicable.

- iv. Option movement during the year:

Particulars	SORIL Infra Resources Limited Employee Stock Option Scheme – 2009	SORIL Infra Resources Limited Employee Stock Option Scheme – 2009(II)
Number of options outstanding at the beginning of the year (Nos.)	1,500,000	3,000,000
Number of options granted during the year	NIL	NIL
Number of options forfeited/ lapsed during the year	NIL	NIL
Number of options vested during the year	300,000	600,000
Number of options exercised during the year	NIL	NIL
Number of shares arising as a result of exercise of options	NIL	NIL
Money realised by exercise of options (in lakhs)	NIL	NIL
Number of options outstanding at the end of the year	1,500,000	3,000,000
Number of options exercisable at the end of the year	600,000	1,200,000

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

Particulars	SORIL Infra Resources Limited Employee Stock Option Scheme – 2009	SORIL Infra Resources Limited Employee Stock Option Scheme – 2009(II)
Weighted-average exercise prices	Nil	Nil

- vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price):

During the financial year 2019-20, the Company has not granted any fresh options.

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

During the financial year 2019-20, the Company has not granted any fresh options.

Additional Information:

pursuant to and in terms of shareholders authorization dated February 5, 2020, the Company in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as “SBEB Regulations”), the Company has created an employee’s welfare trust titled “SORIL Infra Resources Limited – Employees Welfare Trust” (the “Trust”) to efficiently manage the ‘**SORIL Infra Resources Limited Employee Stock Option Scheme – 2009 and SORIL Infra Resources Limited Employee Stock Option Scheme – 2009(II)**’ (“Scheme”) and to acquire, purchase, hold and deal in fully paid-up equity shares of the Company from the secondary market, for the purpose of administration and implementation of the Scheme, as may be permissible under the SBEB Regulations. Since shares issued, on account of exercise of options, granted/to be granted under the Scheme, will be out of those purchased by the Trust from the secondary market, there will be no dilution in shareholding.