

FOR THE YEAR ENDED 31ST MARCH, 2015

Disclosures pursuant to the SEBI (Share Based Employee Benefits) Regulations, 2014

(a)	Options granted	Mahindra CIE Automotive Limited Employees Stock Option Scheme – 4,692,190											
(b)	The pricing formula	1 st Tranche	2 nd Tranche		3 rd Tranche	4 th Tranche	5 th Tranche	6 th Tranche	7 th Tranche	8 th Tranche	Stock options Granted pursuant to the Composites Scheme & Integrated Scheme		
		3,84,000 Options granted at a fixed price of Rs. 197/- per share.	3,91,000 Options granted at a fixed price of Rs. 83/- per share.	12,000 Options granted at a fixed price of Rs. 197/- per share.	2,50,000 Options granted at a Discount of 15% on the average price preceding the specified date – 9 th May, 2008	2,45,000 Options granted at a Discount of 15% on the average price preceding the specified date – 29 th July, 2008	5,00,000 Options granted at a Discount of 15% on the average price preceding the specified date – 26 th August, 2008	93,000 Options granted at a Discount of 15% on the average price preceding the specified date – 12 th May, 2010	20,00,000 Options granted at a Discount of 15% on the average price preceding the specified date - 1 st April, 2011	5,89,883 Options granted at a Discount of 15% on the average price preceding the specified date – 20 th January, 2012	20697 options granted at Rs. 52. 67/- to eligible stock option holders of MCL (Amalgamated Co.)	151940 options granted at Rs. 34.86/- to eligible stock option holders of MUSCO (Amalgamated Co.)	54670 options granted at Rs. 25.70/- to eligible stock option holders of MUSCO (Amalgamated Co.)
Average price – Average of the daily high and low of the prices for the Company's Equity Shares quoted on Bombay Stock Exchange Limited during the 15 days preceding the specified date.											In terms of the Composites Scheme & Integrated scheme the exercise price of the options granted was adjusted so that the total exercise price payable by an Eligible Employees under the erstwhile Stock Option Scheme of Amalgamated Companies is equivalent to the exercise payable for the options granted by the Company.		
Specified date - Date on which the Remuneration/Compensation Committee granted the Options.													

(c)	Options vested	8,99,468																																				
(d)	Options exercised and exercise price	13,05,227 options exercised during the year at different exercise prices as under; <table border="1" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: center;">Sr. No.</th> <th style="text-align: center;">No. of options exercised and shares allotted in lieu thereof</th> <th style="text-align: center;">exercise prices</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: right;">500</td> <td style="text-align: right;">197.00</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="text-align: right;">17,063</td> <td style="text-align: right;">152.00</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="text-align: right;">1,41,950</td> <td style="text-align: right;">109.00</td> </tr> <tr> <td style="text-align: center;">4</td> <td style="text-align: right;">14,750</td> <td style="text-align: right;">102.00</td> </tr> <tr> <td style="text-align: center;">5</td> <td style="text-align: right;">48,250</td> <td style="text-align: right;">97.00</td> </tr> <tr> <td style="text-align: center;">6</td> <td style="text-align: right;">1,21,250</td> <td style="text-align: right;">83.00</td> </tr> <tr> <td style="text-align: center;">7</td> <td style="text-align: right;">6,71,020</td> <td style="text-align: right;">57.00</td> </tr> <tr> <td style="text-align: center;">8</td> <td style="text-align: right;">2,250</td> <td style="text-align: right;">52.67</td> </tr> <tr> <td style="text-align: center;">9</td> <td style="text-align: right;">2,06,594</td> <td style="text-align: right;">44.00</td> </tr> <tr> <td style="text-align: center;">10</td> <td style="text-align: right;">81,650</td> <td style="text-align: right;">34.86</td> </tr> <tr> <td></td> <td style="text-align: right;">13,05,277</td> <td style="text-align: center;">-----</td> </tr> </tbody> </table>	Sr. No.	No. of options exercised and shares allotted in lieu thereof	exercise prices	1	500	197.00	2	17,063	152.00	3	1,41,950	109.00	4	14,750	102.00	5	48,250	97.00	6	1,21,250	83.00	7	6,71,020	57.00	8	2,250	52.67	9	2,06,594	44.00	10	81,650	34.86		13,05,277	-----
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(e)	The total number of shares arising as a result of exercise of option	15,37,437																																				
(f)	Options lapsed	18,06,504																																				
(g)	Variation of terms of options	Nil																																				
(h)	Money realised by exercise of options	Rs. 98.8 Million																																				
(i)	Total number of options in force	1,348,249																																				
(j)	Employee-wise details of Options granted to:																																					
	i) Senior managerial personnel	As per statement attached																																				
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year,	None																																				
	iii) 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.	None																																				

Mahindra CIE Automotive Ltd.

(k)	Details of any material change in the scheme	<p>Consequent to the effectiveness of integrated and Composites scheme amalgamation , the Company has granted following stock options the employees of MUSCO and MCL who had stock options in MUSCO and MCL as per the share exchange ratio mentioned in the Schemes:</p> <ul style="list-style-type: none"> • 206,610 options to the employees of Mahindra Ugine Steel Company Limited • 20,697 options to the employees of Mahindra Composites Limited <p>The Company had carried out suitable changes in the existing Employees Stock Option Scheme in terms of the Schemes of Amalgamation. However these changes may not be considered as material.</p>
(l)	Diluted Earnings Per Share (EPS) pursuant to issue of share on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings per Share'.	2.41
(m)	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock Options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised 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.	<p>The company has adopted the intrinsic value method of accounting for determining compensation cost for its stock based compensation plan</p> <p>Had the company adopted Fair Value Method in respect of Options granted, the employee compensation cost would have been higher by Rs.15.8 Million (PY Rs. 8.3 Million), Profit after tax lower by Rs. 10.4 Million (PY Rs. 5.5 Million), and the basic and diluted earnings per share would have been lower by Rs. 0.04 (PY lower by Rs. 0.07)</p>
(n)	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.	Not applicable since not fresh grant was made during the year.
(o)	<p>A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:</p> <ol style="list-style-type: none"> i) values of share price ii) exercise price iii) risk-free interest rate, iv) expected life v) expected volatility vi) expected dividends and vii) The price of the underlying share in market at the time of option grant. 	Not applicable since not fresh grant was made during the year.
(0)	the method used and the assumptions made to incorporate the effects of expected early exercise;	Not Applicable

(p)	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	Not Applicable
(q)	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

STATEMENT ATTACHED TO ANNEXURE I TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015

Name of the Senior Managerial Persons of the Company to whom Stock Options have been granted	Options granted in 2007-08 ^{##}	Options granted in 2008-09	Options granted in 2011-12	Options Granted Against ESOPs held in MUSCO	Options Granted Against ESOPs held in MCL
Mr. Hemant Luthra	2,00,000	Nil	Nil	Nil	5220
Mr. K. Ramaswami	Nil	Nil	3,00,000	Nil	Nil
[@] Mr. Deepak Dheer	Nil	75,000	1,25,000	Nil	Nil
^{\$} Mr. Zhooben Bhiwandiwala	10,000	10,000	#15,000	Nil	Nil
[@] Mr. Nikhilesh Panchal	10,000	10,000	#15,000	Nil	Nil
[@] Mr. V. K. Chanana	10,000	10,000	#15,000	Nil	Nil
[@] Mr. Fali Mama	10,000	10,000	#15,000	Nil	Nil
[@] Mr. Mohit Burman	10,000	10,000	#15,000	Nil	Nil
[@] Mr. Harald Korte	10,000	Nil	#15,000	Nil	Nil
[@] Mr. Piyush Mankad	Nil	10,000	15,000	Nil	Nil
Mr. Daljit Mirchandani	Nil	10,000	15,000	Nil	Nil
[@] Mr. Oliver Scholz	Nil	10,000	#15,000	Nil	Nil
[@] Mr. S. Ravindran	*40,000	Nil	Nil	Nil	Nil
[@] Mr. R.R.Krishnan	*10,000	Nil	Nil	Nil	2,250

[@] Ceased to be director of the Company.

^{*} The Options have lapsed since the concerned Directors have resigned before vesting of the same.

[#] 7,500 Options each have lapsed since the concerned Directors have resigned before vesting of the same.

^{\$} He ceased to be Director of the Company w.e.f. 4th October, 2013 and was re-appointed as Director w.e.f. 29th July, 2014.

^{##} Unexercised portion of first two tranch vested have lapsed due to non-exercise of options by the Directors.