

Disclosure regarding ESOS under Clause 14 of SEBI (Share Based Employee Benefits) Regulations, 2014.

At the 94th AGM of the members of the Bank held on July 21, 2018, shareholders of the Bank had approved an Employee Stock Option Scheme viz., KBL ESOS-2018. The status of the options outstanding under KBL ESOS - 2018 as on March 31, 2022 is as under:

Date of Shareholders' Approval	July 21, 2018
Total number of options available under ESOS 2018	51,07,147* *after giving effect to the Bonus Issue 2020 in the ratio of 1:10.
Vesting Requirements	The employee stock options granted under this scheme shall vest in a graded manner over a period of three years from the date of grant (i.e. 40%, 30% & 30% on completion of 1 st , 2 nd & 3 rd year respectively), subject to continued employment with the Bank on the date of vesting.
Exercise Price/ Pricing formula	The exercise price per option shall be the closing price per equity share of the Bank on the date of the grant in terms of SEBI (Share Based Employee Benefits) Regulations, 2014.
Maximum Term of Options	Exercise period is five years from the date of vesting of options. If an employee ceases to be in the service of the Bank due to early retirement approved by the Bank, attainment of superannuation etc the maximum term of options would be limited to the period of six/twelve months from the date of such cessation respectively.
Sources of Shares	Primary
Variation in terms of ESOS	NIL

Option movement during the year

Particulars	Series 1		Series 2	Series 4	Series 5	Series 6	Series 7	Series 8	Series 9	Series 10	Series 11	Total
Date of Grant	11.01.19	30.04.19	11.01.19	07.08.19	21.03.20	03.10.20	03.10.20	03.10.20	21.11.20^	15.02.21	22.09.21	
Price of Grant	105.55*	115.27*	105.55*	71.59*	48.10	41.50	41.50	41.50	44.25	64.80	70.40	
Number of Options outstanding at the beginning of the year	795770*	2530	143880*	220000*	160500\$	30000\$	3188360\$	70000\$	250000\$	63000\$	0	4924040\$
Number of Options granted during the year	-	-	-	-	-	-	-	-	-	-	40000	40000
Options lapsed /forfeited/canceled (No.s)	15241	110	880	0	1600	0	28235	0	0	0	0	46066
Number of Options vested during the year	234037	792	42900	66000	48000	12000	1295176	28000	100000	25200	0	1852105
Number of Options exercised during the year	77	-	-	-	9600	12000	193494	-	79000	-	-	294171
Total number of shares arising as a result of exercise of options during the year	77	-	-	-	9600	12000	193494	-	79000	-	-	294171
Money realized by exercise of options, including premium (Rs.)	8127.35	-	-	-	461760	498000	8030001	-	3495750	-		12493638.35

Number of Options outstanding as on March 31, 2022	779396	2420	143000	220000*	148300\$	18000\$	2958931\$	70000\$	171000\$	63000\$	40000\$	4614047\$
Number of Options exercisable at the end of the year March 31, 2022	779396*	1694*	143000*	154000*	101500*	0	1101682\$	28000\$	21000\$	25200\$	0	2355472\$
Pricing formula	Closing price of equity shares of the Bank as on the date of grant											
Method used to account for ESOS	Fair Value Method (w.e.f. 01.04.2021)											
Difference between the employee compensation cost that shall have been recognized if the Bank had used the fair value of the options instead of intrinsic value	Not Applicable The options granted on or after 01.04.2021 are accounted using the Fair Value Method as per the RBI circular dated 30th August 2021 and Bank's Policy on accounting ESOPs. In respect of the stock options granted prior to this date, the compensation cost on the basis of intrinsic value method has already been given effect to.											
The impact of this difference on profits and on EPS of the company shall also be disclosed.	Not Applicable											
Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or is less than the market price of the stock options.	Not Applicable											

*after giving effect to Bonus Issue -2020

^s since granted post Bonus Issue-2020, no adjustment is being made.

[^]approval of RBI received vide letter dated March 19, 2021.

Employee wise details				
1. Grant to Senior Management Personnel during the year: As mentioned in SI No. 3 below.				
2. Employees granted options equal to or exceeding 1 percent of the issued capital: Nil				
3. Employees receiving 5 percent or more of the total number of options granted during the year:				
Name of the Employee	Designation	No. of options granted	Series	Exercise Price per option
1. Mr. Pankaj Gupta	Chief Digital and Marketing Officer	40,000	Series-XI	Rs. 70.40

A description of the method and significant assumptions used during the year to estimate the fair value of options, at the time of grant including the following weighted average information:	
Grant Date---→	Not Applicable
a. Expected dividends yield	
b. Expected volatility	
c. Risk -free interest rate	
d. Expected life of the options (Years)	
e. The price of the underlying share in the market at the time of option grant.	