

Notes to consolidated financial statements for the year ended March 31, 2018**35. Net employee defined benefit liabilities** (Contd.)

A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:

INR Crores

Sensitivity Level	1% increase	1% decrease
Impact on defined benefit obligation		
Discount rate	(2)	4
Future salary increases	4	(2)
Withdrawal rate	1	(0)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

h) Defined benefit pension scheme

The Group operates unfunded defined benefit pension scheme in its entities located in France which are limited to retirement indemnities as applicable in France. The cost of providing benefits is calculated using project unit credit method. The amount recognised as liability for the year ended 31 March 2018 amounts to ₹29 Crores (31 March 2017: ₹25 Crores)

36. Share based payment

During the year ended March 31, 2018, the following employee stock option plan (ESOPs) were in existence. The relevant details of the scheme and the grant are as follows:

1a Employees stock option and share plan 2006

The Company instituted an Employees Stock Option Scheme ("ESOPs") for certain employees as approved by the shareholders on September 20, 2006 which provides for a grant of 840,000 options (each option convertible into share) to employees.

Particulars	March 31, 2018	March 31, 2017
Number of options granted (net of options lapsed)	5,08,390	5,08,390
Method of settlement (Cash/Equity)	Equity	Equity
Vesting period	Spread over 4 years and 6 months	Spread over 4 years and 6 months
Exercise period	10 years	10 years

1b The details of the activity have been summarized below

Particulars	(No. of equity shares)	
	March 31, 2018	March 31, 2017
Outstanding at the beginning of the year	52,250	1,88,055
Exercisable at the beginning of the year	52,250	1,12,195
Forfeited during the year	-	6,075
Exercised during the year	35,750	89,575
Vested during the year	-	69,785
Expired during the year	-	40,155
Outstanding at the end of the year	16,500	52,250
Exercisable at the end of the year*	16,500	52,250
Weighted average remaining contractual life (in years)	3.91	4.91

For options exercised during the current period, the weighted average share price at the exercise date was ₹833 (Mar 31, 2017: ₹616.48).

1c Stock options granted

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs: