If shares Market Price > Issue price to employees.

Guidance Note, is ✓

(A) AS 15 does not covers → Share Based payments - Guidance Note. — 28/07/2018

How?

combination could be asked.

Employees Stock Option plans (ESOP)
- ✓ call option
- ✓ over the period of vesting apport" the exps.

Employee's Stock Purchase Plan (ESPP)
- Right Issue or other issue
- at end of the yr. expense it out

Stock appreciation Rights (SAR)
- settled in cash, amount equivalent excess of MPS, over stated price.
- "provision for SAR" created.

(B) **Terms: on Timeline.**

Grant date — vesting period — Vesting date — Exercise period — Last date

Grant date: Employees are granted options.

SAR में हर साल Reassess करो

Where, both AV & IV are given, use $\boxed{FV}$ क्योंकि FV हमेशा ज़्यादा होगा।

Vesting date: Employees become eligible to apply for said scheme.

(C) **Time Line for Accounting.**

I Estimate Total Expenses → II Calculate Proportionate Exps. → III Δ in estimated Expenses → IV Check amount Not vesting → V No of opt" Exercised → VI opt" Lapsed

I: $\boxed{WN\ 1}$ = check every year end?
- (a) No of employees likely to satisfy Vesting conditions
- × No of options/employee
- × FV or IV (MV₀ − E)

II: estimated exps. divided by No. of years.

Employees compa" Exps. ..... Dr. < or capitalize / Revenue Exps.

To Employees Stock Option o/s.

III–IV: Reverse the excess provision, use General Reserve

V: Issue of shares.

VI: Reverse the Exps through General Reserve

* Expenses are to be estimated on the basis of No. of employees expected to fulfill condition at end of