



## **RADICO KHAITAN LIMITED**

(CIN: L26941UP1983PLC027278)

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### **Disclosure pursuant to the provisions of Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (FY 2020-21)**

- a. Relevant disclosures in terms of the "Guidance Note on Accounting for Employee Share Based Payments" issued by ICAI has been made in the Notes to Accounts attached to the Annual Report.
- b. Diluted EPS on issue of shares pursuant to the Scheme

The details of stock options as on March 31, 2021 under the RKL Employees Stock Option Scheme 2006 ("Scheme 2006") are given below:

The basic and diluted EPS has been disclosed in accordance with the Ind-AS 33 in the Note No. 42 of Standalone Financial Statement and Note No.42 of Consolidated Financial Statement for the year ended March 31, 2021.

#### **A. Summary of Status of ESOPs granted**

The description of the existing scheme is summarized as under:

S. No.	Particulars	Scheme 2006
1	Date of shareholders' approval	May 25, 2006
2	Total number of options approved	42,80,000
3	Vesting Requirement	The options would vest in phased manner in four years i.e. 10% on first year of vesting, 25% each on 2 <sup>nd</sup> & 3 <sup>rd</sup> years of vesting and balance 40% on 4 <sup>th</sup> year of vesting.
4	Pricing Formula	The options are granted to eligible employees at 15% discount to the closing price of the shares of the Company, prior to the grant date, at the NSE or BSE (whichever stock exchange is having the highest trading volume of the shares).
5	Maximum Term of options granted	Options to be exercised within 3 years of vesting.
6	Sources of shares	Primary
7	Variation in terms of options	No variation

The movement of options during the year are as follows:

S. No.	Particulars	Scheme 2006
1	No. of Options Outstanding at the beginning of the year	1,39,500
2	No. of Options Granted during the year	0
3	No. of Options Forfeited/Lapsed during the year	0
4	No. of Options Vested during the year	40,000

5	No. of Options Exercised during the year	34,000
6	No. of Shares arising as a result of exercise of options	34,000
7	Money realised by exercise of options during the year (Rs.)	36,74,480
8	Loan repaid by the trust during the year from the exercise price received	Not applicable
9	No. of Options outstanding at the end of the year	1,05,500
10	No. of Options exercisable at the end of the year	1,05,500

**B. Weighted Average Fair Value/Exercise Price of Options granted during the year**

Particulars	Weighted Average Fair Value (Rs.)	Weighted Average Exercise Price (Rs.)
a. Exercise price equals market price	N.A.	N.A.
b. Exercise price is greater than market price	N.A.	N.A.
c. Exercise price is less than market price	N.A.	N.A.

**C. Employee-wise details of options granted during the financial year 2020-21 under Scheme 2006 to:**

S. No.	Particulars	No. of options granted
i.	Senior managerial personnel	NIL
ii.	Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year.	NIL
iii.	Identified employees who were granted option, during one year, equal to or exceeding 1% of the issued capital of the Company at the time of grant	NIL

**D. Method used to account for ESOPs**

The compensation cost of stock options granted to employees is calculated based on fair value at grant date. The fair value at grant date is determined using the Black Scholes Merton methodology. The compensation cost is amortized to the Statement of Profit and Loss over the vesting period of the stock option. The financial impact is provided in Note no. 16(d) of the Notes to standalone financial statements.

**E. Method and significant assumptions used to estimate the fair value of options granted during the year:**

i	Date of Grant	Not Applicable
ii	Risk free interest rate	N.A.
iii	Expected life	N.A.
iv	Expected volatility	N.A.
v	Expected dividend	N.A.
Vi	Price of the underlying share at the time of option grant	N.A.