



RADICO KHAITAN LIMITED

CIN No. L26941UP1983PLC027278

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Disclosure pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI ESOP Regulations, 2021") – For the Financial Year 2021-22

- A. Relevant disclosures in terms of the "Guidance Note on Accounting for Employee Share-based Payments" issued by ICAI has been made in Note no. 15 of the Notes to Standalone Financial Statements and Consolidated Financial Statements forming part of the Annual Report for the Financial Year 2021-22 of.
- B. Diluted earnings per share pursuant to the issue of share on exercise of options calculated in accordance with Indian Accounting Standards, Ind-AS 33, "Earnings Per Share" has been disclosed in the Standalone Financial Statements for the Financial Year 2021-22.

C. Summary of Status of ESOP granted

- (i) The description of the Employees Stock Options Scheme, 2006 (ESOP Scheme, 2006) is summarized as under:-

Sl. No.	Particulars	ESOP Scheme, 2006
1	Date of Shareholder's approval	May 25, 2006
2	Total number of options approved under ESOP	48,22,397
3	Vesting requirements	Vesting takes place on staggered basis over a period of 4 years. Further, vesting of options is a function of achievement of performance criteria or any other criteria as specified by the ESOP Compensation Committee and communicated in the grant letter.
4	Exercise Price or Pricing Formula	(1) 1,80,000 options were granted at Rs. 928.05 on November 02, 2021; and (2) 40,000 options were granted at Rs. 723.14 on March 08, 2022 Exercise Price is calculated at 15% discount to the latest available closing price, prior to the date of the meeting of the ESOP Compensation Committee in which options are granted, on the Stock Exchange on which the shares of the Company are listed and on which there is highest trading volume on the said date.

5	Maximum Term of options granted	Options to be exercised within 3 years from the date of vesting
6	Sources of Shares (primary, secondary or combination)	Primary
7	Variation in terms of Options during FY2022	No variation

- (ii) Method used to account for ESOP - The compensation cost of stock options granted to the employees is calculated based on fair value method.
- (iii) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized 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. – **Not Applicable**
- (iv) The movement of options during the financial year 2021-22 is as follows:-

Sl. No.	Particulars	ESOP Scheme, 2006
1	Number of options outstanding at the beginning of the year	1,05,500
2	Number of options granted during the year	2,20,000
3	Number of options forfeited/lapsed during the year	NIL
4	Number of options vested during the year	NIL
5	Number of options exercised during the year	1,05,500
6	Number of shares arising as a result of exercise of options	1,05,500
7	Money realized by exercise of options (INR), if scheme is implemented directly by the company	1,15,03,960
8	Loan repaid by the Trust during the year from exercise price received	N.A.
9	Number of options outstanding as of March 31, 2022	2,20,000
10	No. of options exercisable as of March 31, 2022	NIL

- (v) 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: Disclosures are provided in point no. (vii) below.
- (vi) Employee-wise details of options granted during the financial year 2021-22 is as follows:-

(a)	Senior Managerial Personnel				
	Name of Employees	Designation	Scheme	No. of options granted during the year	Exercise Price (Rs.)
	Anup Barik	Vice President Blending	ESOP Scheme 2006	15000	928.05
	Saket Somani	Vice President Accounts	ESOP Scheme 2006	15000	928.05
	Sunil Gupta	Asst. Vice Present Finance & Accounts	ESOP Scheme 2006	15000	928.05
	Kunal Madan	Vice President International Business	ESOP Scheme 2006	15000	928.05
	Dinesh Kumar Gupta	Vice President Legal	ESOP Scheme 2006	10000	928.05
	Ramesh Khatanhar	Executive Vice President Sales	ESOP Scheme 2006	10000	928.05
	Naresh Raghav	Senior Vice President Production	ESOP Scheme 2006	10000	928.05
	Tarun Choudhary	Vice President Sales	ESOP Scheme 2006	10000	928.05
	Rajiv Vashisht	Asst. Vice President Sales	ESOP Scheme 2006	10000	928.05
	Sudhir Upadhyay	Vice President Sales	ESOP Scheme 2006	10000	928.05
	Pinaki Sengupta	Vice President Sales	ESOP Scheme 2006	10000	928.05
	Benzigar G Poovattil	Vice President Sales	ESOP Scheme 2006	10000	928.05
	Saurav Bhaumik	Joint General Manager Sales	ESOP Scheme 2006	10000	928.05
	Vinod Kumar	Assistant Vice President Commercial	ESOP Scheme 2006	10000	928.05
	Mukesh Arora	Senior Vice President Accounts	ESOP Scheme 2006	10000	928.05
	Vinay Padroo	Vice President Human Resource & Administration	ESOP Scheme 2006	10000	928.05
	Ankur Sachdeva	President -Operations	ESOP Scheme 2006	40000	723.14
(b)	Other Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year - Nil				
(c)	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				

- (vii) 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 information:-

Particulars	ESOP Scheme 2006	
	02 nd November, 2021	08 th March, 2022
Dividend yield (%)	0.472%	0.472%
Expected volatility (%)	15.21%	22.40%
Fair value per vest (Rs.)	281.36 – 391.31	245.08 – 341.46
Vest (%)	22.30% - 32.90%	25.00%
Weighted average fair value of option (Rs.)	331.90	295.05
Fair value per Option at grant date (in Rs.)	331.91	295.05
Risk-free interest rate (%)	5.42%	5.89%
Expected life of share options (years)	2.50 – 5.50	2.50 – 5.50
Share Price One day prior to the Grant Date (INR)	1091.80	850.80
Exercise Price (INR)	928.05	723.14
Model used	Black Scholes model	Black Scholes model

The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Company's stock on NSE over these years. Weighted average share price during the Financial Year was Rs. 908.94.

For more details, please refer Note no. 15 of the Notes to Standalone Financial Statements and Consolidated Financial Statements forming part of the Annual Report for the Financial Year 2021-22 of the Company.

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| D. | Details related to ESOP - | Not Applicable |
| E. | Details related to SAR - | Not Applicable |
| F. | Details related to GEBS / RBS - | Not Applicable |
| G. | Details Related to Trust - | Not Applicable |