

Requirements under the SEBI (Share Based Employee Benefits) Regulations, 2014  
For the Financial Year 2016-17

**Summary of Status of ESOPs Granted**

The position of the existing schemes is summarized as under

Sr.No.	Particulars	Ramkrishna Forgings Limited - Employee Stock Option Plan 2015 (RKFL ESOP Scheme 2015)
<b>I. Details of the ESOS</b>		
1	Date of Shareholder's Approval	12th September 2015
2	Total Number of Options approved	Upto 700,000
3	Vesting Requirements	Stock options granted under RKFL ESOP Scheme 2015 shall vest after 3 years from the grant date in the following proportion 3rd Year- 30% 4th Year- 30% 5rd Year- 40% The above vesting will be dependent upon achievement of certain performance criteria as laid down by Nomination & Remuneration Committee
4	Exercise Price or Pricing formula (₹)	Rs. 400
5	Maximum term of Options granted (years)	9 years from the date of grant
6	Source of shares	Primary/Secondary/Combination
7	Variation in terms of ESOP	Exercise price has been reduced from 90% of the market price prevailing at the date of the grant of options to Rs. 400/- (Rupees Four Hundred only).
8	Method used to account for stock options	Intrinsic Value

<b>II. Option Movement during the year</b>		
1	No. of Options Outstanding at the beginning of the year	3,04,903
2	Options Granted during the year	0
3	Options Forfeited / lapsed during the year	46,104
4	Options Vested during the year	0
5	Options Exercised during the year	0
6	Total number of shares arising as a result of exercise of options	0
7	Money realised by exercise of options (Rs.)	0
8	Number of options Outstanding at the end of the year	2,58,799
9	Number of Options exercisable at the end of the year	0

<b>III. Weighted average exercise price of Options granted during the year whose</b>		
(a)	Exercise price equals market price	No options were granted during the year
(b)	Exercise price is greater than market price	
(c)	Exercise price is less than market price	
<b>Weighted average fair value of options granted during the year whose</b>		
(a)	Exercise price equals market price	No options were granted during the year
(b)	Exercise price is greater than market price	
(c)	Exercise price is less than market price	

The weighted average market price of options exercised during the year	No Option were exercised during the year
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IV Employee-wise details of options granted during the financial year 2016-17 to:	
(i) Senior managerial personnel :	
Name	No. of options granted
	No options were granted during the year
(ii) Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year	
Name	No. of options granted
	No options were granted during the year
(iii) Identified employees who were granted option, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	
Name	No. of options granted
	No options were granted during the year

V Method and Assumptions used to estimate the fair value of options granted during the year:	
The fair value has been calculated using the Black Scholes Option Pricing model	
The Assumptions used in the model are as follows:	
Date of grant	Particulars
1. Risk Free Interest Rate (%)	No options were granted during the year
2. Expected Life	
3. Expected Volatility (%)	
4. Dividend Yield (%)	
5. Price of the underlying share in market at the time of the option grant (Rs.)	

VI	Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20	6.64
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VII.	<p>The stock-based compensation cost calculated as per the intrinsic value method for the period April 1, 2016 to March 31, 2017 is 37,33,572. If the stock-based compensation cost was calculated as per the fair value method prescribed by SEBI, the total cost to be recognised in the total cost to be recognised in the financial statements for the period April 1, 2016 to March 31, 2017 would be Rs. 228,90,159. The effect of adopting the fair value method on the net income and earnings per share is presented below:</p>	
	<b>Pro Forma Adjusted Net Income and Earning Per Share</b>	
	<b>Particulars</b>	<b>Rs.</b>
	Net Income as reported	19,03,90,008
	Add: Intrinsic Value Compensation Cost	37,33,572
	Less: Fair Value Compensation Cost	2,28,90,159
	<b>Adjusted Pro Forma Net Income</b>	<b>17,12,33,421</b>
	<b>Earning Per Share: Basic</b>	
	As Reported	6.64
	Adjusted Pro Forma	5.97
	<b>Earning Per Share: Diluted</b>	
	As Reported	6.64
	Adjusted Pro Forma	5.97