

Employee Stock Option Schemes (ESOS)

1. The details of stock options as on 31st March 2024 under the Employee Stock Option ESOP 2023 & ESOP 2015 Schemes:

Sr. no.	Particulars	Ramkrishna Forgings Limited - Employee Stock Option Plan 2015 (RKFL ESOP Scheme 2015)	Ramkrishna Forgings Limited - Employee Stock Option Plan 2023 (RKFL ESOP Scheme 2023)
1	Date of Shareholder's Approval	12 th September 2015	16 th September 2023
2	Total Number of options approved	Up to 7,00,000	Up to 30,00,000
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% 5th Year- 40% The above vesting will be dependent upon achievement of certain performance criteria as laid down by Nomination & Remuneration Committee	Stock options granted under RKFL ESOP Scheme 2023 shall vest after 1 year from the grant date in the following proportion 1st Year- 25% 2nd Year- 25% 3rd Year- 25% 4th Year- 25% 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.80 for each option of Rs.2 each	Rs.556 for each option of Rs. 2 each
5	Maximum term of options granted	9 years from the date of grant	8 years from the date of grant
6	Source of shares	Primary/Secondary/Combination	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). By shareholders resolution dated 24th September 2016. Due to subdivision of shares the exercise price has been adjusted to Rs.80 per share of rs.2 each	No variation after Grant
8	Method used to account for ESOP	The Company has recognized compensation costs using fair value method of accounting. The Company has recognized stock option compensation cost of Rs. 54.60 Lakhs in the statement of profit and loss for the financial year 2023-24.	The Company has recognized compensation costs using fair value method of accounting. The Company has recognized stock option compensation cost of Rs. 161.25 Lakhs in the statement of profit and loss for the financial year 2023-24.
9	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.	The Company accounted for employee compensation cost on the basis of fair value of the options	The Company accounted for employee compensation cost on the basis of fair value of the options

2. Options Movement during the year-

	Particulars	ESOP 2015		ESOP 2023	
		No. Of options*	Wt. Avg Exercise Price	No. Of options	Wt. Avg Exercise Price
1	No. of Options Outstanding at the beginning of the year	3,52,820	80	0	556
2	Options Granted during the year	0	80	8,07,861	556
3	Options Forfeited / lapsed during the year	34,820	80	0	556
4	Options Vested during the year	1,04,745	80	0	556
5	Options Exercised during the year	81,280	80	0	556
6	Total number of shares arising as a result of exercise of options	81,280	80	0	556
7	Money realised by exercise of options (Rs.)	65,02,400		0	
8	Number of options Outstanding at the end of the year	2,36,720	80	8,07,861	556
9	Number of Options exercisable at the end of the year	2,36,720	80	NA - since ESOPs has not been vested	

*Options adjusted for stock split- The Face value of equity shares has been sub divided w.e.f March, 15, 2022. Face Value of Equity Shares if Rs. 2 per share.

3. A) Weighted average exercise price of Options granted during the year whose

Sr. No.	Particulars	ESOP 2015	ESOP 2023
a)	Exercise price equals market price	NA	NA
b)	Exercise price is greater than market price	NA	NA
c)	Exercise price is less than market price	NA	556.00

B) Weighted average fair value of Options granted during the year whose

Sr. No.	Particulars	ESOP 2015	ESOP 2023
a)	Fair value equals market price	NA	NA
b)	Fair value is greater than market price	NA	NA
c)	Fair value is less than market price	NA	418.80

C) Weighted average contractual life (years)

Particulars	ESOP 2015	ESOP 2023
Weighted average contractual life of options outstanding as on 31st March 2024	2.83	6.40

4. Employee-wise details of options granted during the financial year 2023-24 to:

(i) Senior managerial personnel :		
	Name	No. of options granted
1	Lalit Kumar Khetan	55843
2	Sakti Prasad Senapati	27924
3	Rajat Subhra Datta	27924
4	Milesh Gandhi	26372
5	Rahul Kumar Bagaria	21718
6	Pawan Kumar Kedia	20167
7	Rajesh Mundhra	20167
8	Bal Krishan Khaitan	20167
9	Jayadev Patasani	18616
10	M Bala Murali krishna	14738
11	Chethan Murthy	15513
12	Rajat Subhra Biswas	11309
13	Krishna Kumar Jha	15125
(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
NIL		
(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
NIL		

5. Method 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 (%)	6.98%
2. Expected Life	4.51
3. Expected Volatility (%)	45.09%
4. Dividend Yield (%)	0.26%
5. Price of the underlying share in market at the time of the option grant (Rs.)	757.80
6. Weighted average fair value of options	418.80

6. Assumptions:

- i) Stock Price: Closing price on National Stock Exchange on previous date of grant has been considered
- ii) Volatility: The historical volatility over the expected life has been considered to calculate the fair value.
- iii) Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.
- iv) Exercise Price: Exercise Price of each specific grant has been considered.
- v) Time to Maturity: Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live.
- vi) Expected dividend yield: Expected dividend yield has been calculated as last dividend declared before the date of grant