

**DISCLOSURE AS PER REGULATION 14 OF SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 READ WITH SEBI CIRCULAR CIR/CFD/POLICY CELL/2/2015 DATED JUNE 16, 2015 AS ON MARCH 31, 2020**

**KDDL EMPLOYEE STOCK OPTION PLAN – 2011**

- A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time :**

Members may please refer to the audited financial statement prepared as per Indian Accounting Standard (Ind-AS) for the year March 31, 2020.

- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with Ind AS 33 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time :**

The Basic and Diluted EPS has been disclosed in accordance with the Ind AS 33 in the Financial Statements for the year ended March 31, 2020.

- C. Details related to ESOS**

- (i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including –**

a	Date of shareholders' approval	15 <sup>th</sup> September, 2011
b	Total number of options approved under ESOS	1,10,000
c	Vesting requirements	50 % of the options granted to the selected employees shall vest on 1 <sup>st</sup> April, 2014 in case there is continuation of his service till the date of vesting.  50 % of the options granted to the selected employees shall vest on the date when the turnover of the Company without exercise duty exceeds Rs. 150 crores.  However, there shall remain a gap of minimum one year between date of vesting. The Compensation Committee shall declare such date as and when it is triggered.
d	Exercise price or pricing formula	"Exercise price" means the price payable by the employee for exercising the option granted to him in pursuance of the ESOP-2011 as may be determined by the Board of Directors/Compensation Committee.

E	Maximum term of options granted	Stock Options granted shall be capable of being exercised with in a period of six months from the date of vesting of the respective employee stock options.  Options not exercised with in specified period will lapse.
F	Source of shares (primary, secondary or combination)	Primary
G	Variation in terms of options	NA

**(ii) Method used to account for ESOS - Fair value.**

**(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) Option movement during the year (For each ESOS):**

Particulars	Details
Number of options outstanding at the beginning of the period	18,750
Number of options granted during the year	Nil
Number of options forfeited / lapsed during the year	2,250
Number of options vested during the year	16,500
Number of options exercised during the year	16,500
Number of shares arising as a result of exercise of options	16,500
Money realized by exercise of options (INR), if scheme is implemented directly by the company	Rs. 19,80,000
Loan repaid by the Trust during the year from exercise price received	NA
Number of options outstanding at the end of the year	Nil
Number of options exercisable at the end of the year	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** – Members may please refer to the audited financial statement prepared as per Indian Accounting Standard (Ind-AS) for the year March 31, 2020.

**(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted during the year:**

a	Senior managerial personnel	None
b	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	None
c	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	None

**(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:**

- (a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model** - Members may please refer to the audited financial statement prepared as per Indian Accounting Standard (Ind-AS) for the year March 31, 2020.
- (b) the method used and the assumptions made to incorporate the effects of expected early exercise** – Not applicable
- (c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility** - Members may please refer to the audited financial statement prepared as per Indian Accounting Standard (Ind-AS) for the year March 31, 2020.
- (d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition** – Not applicable