



## DRC SYSTEMS INDIA LIMITED

[CIN: L72900GJ2012PLC070106]

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### Details of Stock Options as on March 31, 2024

Disclosures pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on March 31, 2024:

#### 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 for the Financial Year 2023-24.

#### B. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options:

Diluted EPS for the year ended March 31, 2024 is Rs. 0.18.

#### C. Details related to Employees' Stock Option Scheme

The description including terms and conditions of ESOS is summarized as under:

| Sr. No. | Description  | Details   |
|---------|--|---|
| 1.      | Date of Shareholder's Approval   | September 28, 2021  |
| 2.      | Total Number of Options approved under ESOS  | 50,00,000 Options   |
| 3.      | Vesting Requirements   | Vesting period as decided and approved by the board in the letters issuing the options to employees.  |
| 4.      | Exercise Period / Exercise Price or Pricing Formula  | The employee stock options granted shall be capable of being exercised within a period of Five (5) years from the date of grant subject to vesting of the respective employee stock options.<br><br>The exercise price shall be Re. 1/- per option or such other price as the Board / committee decides, from time to time (share of a face value of Re. 1/- each). |
| 5.      | Maximum term of options granted  | Five (5) years from the date of grant.  |
| 6.      | Sources of Shares  | Primary   |
| 7.      | Variation in terms of options  | None  |
| 8.      | Method used to account for ESOS  | Fair Value  |
| 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 | N. A.   |

|                             | profits and on EPS of the Company shall be disclosed   |  |             |         |                |         |                     |        |                       |      |                |     |                             |       |
|-----------------------------|--|--|-------------|---------|----------------|---------|---------------------|--------|-----------------------|------|----------------|-----|-----------------------------|-------|
| 10.                         | <b>Option movement during the year:</b>  |  |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| a.                          | Number of options outstanding at the beginning of the period   | 3,40,000   |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| b.                          | Number of options granted during the year  | 5,74,300   |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| c.                          | Number of options forfeited/ lapsed during the year  | 8,000  |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| d.                          | Number of options vested during the year   | 2,92,750   |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| e.                          | Number of options exercised during the year  | 2,53,250   |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| f.                          | Number of shares arising as a result of exercise of options  | 2,53,250   |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| g.                          | Money realized by exercise of options (INR), if scheme is implemented directly by the company  | Rs. 2,53,250   |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| h.                          | Loan repaid by the trust during the year from exercise price received  | N.A.   |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| i.                          | Number of options outstanding at the end of the year pre Bonus   | 6,53,050   |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| I                           | Number of options outstanding at the end of the year post Bonus*   | 19,59,150  |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| j.                          | Number of options exercisable at the end of the year post Bonus*   | 19,59,150  |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| k.                          | Employee- wise details of options granted to:  |  |             |         |                |         |                     |        |                       |      |                |     |                             |       |
|                             | (i) Senior Managerial Personnel post Bonus*  | 1,38,000 ESOPs   |             |         |                |         |                     |        |                       |      |                |     |                             |       |
|                             | (ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year  |  |             |         |                |         |                     |        |                       |      |                |     |                             |       |
|                             | (iii) 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   |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| l.                          | Weighted average exercise prices and weighted average fair values of options disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock    | <p>(i) Weighted average exercise price of options granted during the year whose:</p> <p>a. Exercise price equals market price: N.A.<br/> b. Exercise price is greater than market price: N.A.<br/> c. Exercise price is less than the market price: Re. 1/-</p> <p>(ii) Weighted average fair value of options granted during the year whose:</p> <p>a. Exercise price equals market price: N.A.<br/> b. Exercise price is greater than market price: N.A.<br/> c. Exercise price is less than the market price: Refer below table</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>Exercise price</td> <td>Re. 1/-</td> </tr> <tr> <td>Expected volatility</td> <td>77.31%</td> </tr> <tr> <td>Expected life (years)</td> <td>1.50</td> </tr> <tr> <td>Dividend yield</td> <td>NIL</td> </tr> <tr> <td>Risk-free interest rate (%)</td> <td>7.08%</td> </tr> </tbody> </table> | Particulars | Details | Exercise price | Re. 1/- | Expected volatility | 77.31% | Expected life (years) | 1.50 | Dividend yield | NIL | Risk-free interest rate (%) | 7.08% |
| Particulars                 | Details  |  |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| Exercise price              | Re. 1/-  |  |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| Expected volatility         | 77.31%   |  |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| Expected life (years)       | 1.50   |  |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| Dividend yield              | NIL  |  |             |         |                |         |                     |        |                       |      |                |     |                             |       |
| Risk-free interest rate (%) | 7.08%  |  |             |         |                |         |                     |        |                       |      |                |     |                             |       |

|    |   |   |           |
|----|---|---|-----------|
|    |   | Fair market value share                             | Rs. 40.80 |
|    |   | Weighted average remaining contractual life (Years) | 2         |
| m. | <p>Description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:</p> <ul style="list-style-type: none"> <li>• Fair value of the options calculated by using Black-Scholes option pricing model.</li> <li>• Stock price: The closing price on NSE as on the date of grant has been considered for valuing the options granted.</li> <li>• Time of Maturity/ Expected Life: Time of Maturity/ Expected Life of option is the period for which the Company expects the option to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.</li> </ul> |   |           |

\* In view of Bonus shares issued by the Company in the ratio of 2:1 (2 new Bonus Equity Shares for 1 Equity Share held), the outstanding stock options as on the record date of Bonus are being entitled to bonus and hence the post bonus effect is considered for outstanding stock options as at March 31, 2024.