

# NACL Industries Limited

(formerly known as 'Nagarjuna Agrichem Limited')



Ref: NACL/SE/2020-21

17<sup>th</sup> August, 2020

**1) BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street,  
Fort, Mumbai,  
Mumbai – 400001  
Stock Code: 524709

**2) National Stock Exchange of India Ltd**

Exchange Plaza, 5th Floor  
Plot No.C/1 G Block,  
Bandra –Kurla Complex, Bandra (E)  
Mumbai-400051.  
Symbol: NACLIND

Dear Sir,

**Sub: Clarification mail dated 14<sup>th</sup> August, 2020 - reg.**

We reference to the mail dated 14<sup>th</sup> August, 2020 seeking clarification with respect to the announcement submitted to the Stock Exchanges dated 12<sup>th</sup> August, 2020, regarding NACL Employee Stock Option Scheme – 2020 (ESOS-2020).

Please find our responses for the same attached as Annexure -1.

The above information is for your information and records.

Thanking you,

for **NACL Industries Limited**

A handwritten signature in blue ink, appearing to read "Satish Kumar Subudhi".

**Satish Kumar Subudhi**

Company Secretary & Head-Legal

Encl: As above

**Factory-Technical :**

Plot # 177, Arinama Akkivalasa Village, Allinagaram  
Post, Etcherla Mandal, Srikakulam - 532403, A.P.  
Phone : +91-08942-231172, 300400 / 401  
Fax : +91-08942-231171

**Factory-Formulation :**

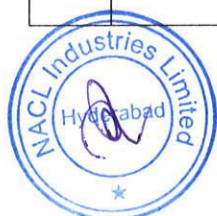
Unit - I, Unit - II  
Ethakota-533238, Ravulapalem Mandal  
East Godavari Dist., A.P.  
Phone : +91-8855-305617 / 627

**R&D Centre :**

Sy. No. 1710 & 1711, Anthireddyguda Road, Nandigaon  
Village & Mandal, R.R.District, Telangana - 509228  
Phone : +91-08548-305004  
Fa x : +91-08548-305801

## Annexure -1

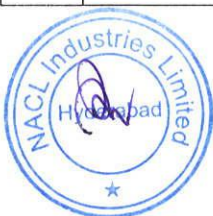
S. No.	Particulars	Details
1)	Whether the scheme is in terms of SEBI (SBEB) Regulations, 2014 (if applicable)	Yes, the NACL Employee Stock Option Scheme – 2020 ('ESOS-2020') is formulated in terms of the SEBI (SBEB) Regulations, 2014 ('SEBI SBEB').
2)	Pricing Formula	The Compensation Committee is empowered to fix the exercise price considering inter-alia the market price of shares as defined in the SEBI SBEB and the discount to be offered, which is subject to a minimum of face value of the equity shares of the Company.
3)	Options vested	As on date, no options have been granted and hence no options have been vested. The ESOS-2020 approved by the Board (in its meeting held on 12 <sup>th</sup> August, 2020) is subject to approval by the shareholders of the Company in the ensuing Extraordinary General Meeting ('EGM'), scheduled to be held on 07 <sup>th</sup> September, 2020. Post approval by the shareholders, the Compensation Committee will grant the options. Post such grant, vesting of options may commence after a period of not less than one year from the date of individual grant and the maximum vesting period may extend upto 3 years from



		the date of grant of options, unless otherwise decided by the Compensation Committee as detailed out in the Scheme document.
4)	Time within which option may be exercised	The exercise period shall not be more than 2 years from the date of respective vesting of Options. The options granted may be exercised by the Grantee at one time or at various points of time within the exercise period. The options shall lapse if not exercised within the specified exercise period.
5)	<b>Other significant terms:</b>	
	a) Total no. of options to be granted under ESOS-2020	20,00,000 (Twenty Lakhs)
	b) Transferability of options	The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option grantee, the right to exercise all the Options granted to him till such date shall be transferred to his legal heirs or nominees within the period as may be prescribed under the ESOS-2020.
	c) Appraisal process for determining the eligibility of employees to the ESOS-2020.	The process for determining the eligibility criteria for the eligible employees will be specified by the Compensation Committee, and will be based on, such criteria such as length of service, grade, performance,



		<p>technical knowledge, leadership qualities, merit, contribution and conduct, future potential., etc., and such other factors as may be appropriate as may be decided by the Compensation Committee, in its discretion, from time to time.</p>
	<p>d) Requirements of vesting, period of vesting and maximum period of vesting.</p>	<p>There shall be a minimum period of one year between the grant of options and vesting of options. The Vesting of options may be spread over a period of three years after the aforesaid one year from the date of grant. The Committee is empowered to implement and decide the vesting schedule to suit the needs of the organization.</p> <p>The options may vest in tranches subject to the terms and conditions as may be stipulated by the Committee, which may include satisfactory performance of the Employee/Directors and their continued employment with the Company, as the case may be, unless such employment is discontinued on account of death, permanent/total disability or on retirement.</p>
	<p>e) Exercise price or pricing formula</p>	<p>The Committee is empowered to fix the exercise price considering inter-alia the market price of shares as defined in the SEBI SBEB Regulations and the discount to be offered, which is subject to a minimum of face</p>



		value of the equity shares of the Company.
	f) Exercise period and the process of Exercise	The exercise period shall commence from the date of vesting, and will expire not later than two years from the date of vesting. The options will be exercisable by the Eligible Employees by a written application to the Committee to exercise the options, in such manner, and on execution of such documents, in such manner, as may be prescribed by the Compensation Committee from time to time. The options will lapse if not exercised within the specified exercise period.
	g) The Lock-in period, if any.	There shall be no lock-in period on shares issued to employee pursuant to exercise of option.
	h) Maximum number of options to be issued per employee and in aggregate.	Maximum number of options to be issued per employee per year shall not exceed 2,00,000 and 20,00,000 in aggregate. Maximum quantum of benefits to be issued per employee under the Scheme shall not exceed 2,00,000 per year.
	i) Method of valuing the Options.	The Company will adopt the intrinsic value method to value the options granted under the ESOS-2020.

