

Disclosure pursuant to Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as on March 31, 2020

The shareholders of the Company had approved **Gulshan Polyols Limited -GPL Employees Stock Option Scheme, 2018** at their Annual General Meeting held on 29th September, 2018 in compliance with the ESOP Regulations. The disclosures in pursuance of ESOP Regulations are as under:

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share- based payments' issued by Institute of Chartered Accountants of India ("ICAI") or any other relevant accounting standards as prescribed from time to time.

The disclosures are provided in the Notes to Financial Statements of the Company for the financial year ended March 31, 2020.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

- Not Applicable, as there were no options exercised during the year.

C. Details related to Employees Stock Option Scheme (ESOS):

i.	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS: The description including terms and conditions of ESOS 2018 is as under:	
a)	Date of shareholders' approval	29 th September, 2018
b)	Total number of options approved under ESOS	23,45,851
c)	Vesting requirements	The vesting period shall be decided by the Nomination and Remuneration Committee from time to time, but shall not be less than 1 year and not more than 5 years from the date of grant of options. Vesting may happen in one or more tranches.
d)	Exercise price or pricing formula	The exercise price and/or the pricing formula shall be decided by the Nomination and Remuneration Committee from time to time. Rs. 47.00/- per stock option (based on the Average Buying Price of the Stock from the Exchange)
e)	Maximum term of options granted	The Compensation Committee shall decide the exercise period from time to time which can be extended upto 5 years from the vesting date(s).
f)	Source of shares (primary, secondary or combination)	Combination
g)	Variation in terms of options	No variation was made in the terms of ESOS 2018 during the Financial Year 2019-20

ii.	Method used to account for ESOS - Intrinsic or fair value	
	The value of options will be determined as per the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. and the Company has calculated Rs. 46.77 per stock option (based on the Average Buying price of the Stock from the Exchange)	
iii.	Where the company opts for expensing of the options using the intrinsic value of the options -	
a)	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	Not Applicable.
b)	Impact of this difference on profits and on EPS of the Company	Not Applicable.
iv.	Option movement during the year (For each ESOS):	
	Particulars	Details (ESOS 2018)
	Number of options outstanding at the beginning of the period	NIL
	Number of options granted during the year	2,65,500
	Number of options forfeited / lapsed during the year	NIL
	Number of options vested during the year	NIL
	Number of options exercised during the year	NIL
	Number of shares arising as a result of exercise of options	NIL
	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	Not Applicable as the Scheme is through Trust.
	Loan repaid by the Trust during the year from exercise price received	Not Applicable
	Number of options outstanding at the end of the year	2,65,500
	Number of options exercisable at the end of the year	2,65,500
v.	Weighted-average exercise prices and weighted-average fair values of options whose exercise price equals or exceeds or is less than the market price of the stock	
	Rs. 47.00/- per stock option (based on the Average Buying Price of the Stock from the Exchange).	
vi.	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –	
	Particulars	Name of Employee/ Designation/ Number of options granted during the year / Exercise Price
a)	Senior Managerial Personnel	- ESOS – 2018 Employees List / Designation/ Number of options granted during the year as Per Annexures attached - Exercise Price will be Rs. 47.00/- per stock option (based on the Average Buying Price of the Stock from the Exchange)
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	
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.	
vii.	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	
	Not Applicable	
viii.	Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made.	Not Applicable

D. Details related to Trust

Details in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are as follows:-

i. General information

Sl. No.	Particulars	Details
1.	Name of the Trust	“Gulshan Polyols Limited - Employees Welfare Trust”
2.	Details of the Trustee(s)	Shri Avdhesh Kumar Garg Shri Rajender Singh Negi
3.	Amount of loan disbursed by company/ any company in the group, during the year	NIL
4.	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	The Company had outstanding loan of Rs. 1,24,17,435.00 with the Trust as on March 31, 2020
5.	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	NIL
6.	Any other contribution made to the Trust during the year	NIL

ii. Brief details of transactions in shares by the Trust

a)	Number of shares held at the beginning of the year	29,692
b)	Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share	2,35,808 (0.51% of the paid up equity capital of the Company) were acquired through Secondary Acquisition during the financial year 2019-20 (The Weighted average cost of acquisition was Rs. 47 per equity share)
c)	Number of shares transferred to the employees / sold along with the purpose thereof	NIL
d)	Number of shares held at the end of the year	2,65,500

iii. In case of secondary acquisition of shares by the Trust

Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
Held at the beginning of the year	0.06% (29,692 equity shares)
Acquired during the year	0.51% (2,35,808 equity shares)
Sold during the year	NIL
Transferred to the employees during the year	NIL
Held at the end of the year	0.57% (2,65,500 equity shares)