

DISCLOSURE PURSUANT TO REGULATION 14 OF SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS ON 31ST MARCH, 2021

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.

Since no options granted and no ESOP related activities carried out by Finolex Industries Limited Employees’ Welfare Trust (the ‘Trust’) under the existing scheme viz. Employee Stock Option Scheme/Plan-2001 (FIL ESOS) during the financial year ended 31st March, 2021 no notes in Financial Statements are required to give.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations in accordance with ‘Indian Accounting Standard 33 - Earnings per Share’ issued by ICAI or any other relevant accounting standards as prescribed from time to time:

Since no options granted and no ESOP related activities carried out by Finolex Industries Limited Employees Welfare Trust during the financial year ended 31st March, 2021 EPS was not diluted due to the said ESOP related activities. The diluted EPS details are given in the financial statements for the year ended 31st March, 2021 accordingly.

C. Details related to Finolex Industries Limited - Employees Stock Option Scheme (ESOP)

The ESOP Scheme was approved by the Members of the Company by passing special resolution at their Extra Ordinary General Meeting held on 3rd April, 2001 in accordance with the applicable SEBI regulations.

I. Details related to ESOP are given below:

| Sr. No. | Particulars | ESOP |
|----------------|---|--|
| 1 | Date of Shareholders’ approval | 3 rd April, 2001 |
| 2 | Total number of options approved under ESOP | *50,00,000 (Subsequently the Board has allotted 5,00,000 shares to the Trust. In the year 2006 Trust had granted options for 67,400 shares to the eligible employees of the Company and the same was exercised also.) |
| 3 | Vesting Requirement | Vesting takes place over a period of 12 months from the grant of the options. |

| | | |
|---|---|--|
| 4 | Exercise price or pricing formula (Rs.) | Exercise price – Options granted were priced at face value of equity shares being Rs. 10 each. |
| 5 | Maximum term of options granted | 3 months from the date of vesting |
| 6 | Source of Shares | Primary |
| 7 | Variation in terms of ESOP | Nil |

* Pursuant to the approval of Shareholders of the Company at Extraordinary General Meeting held on April 03, 2001.

II. Method used to account for ESOP – Not applicable

III. Where the company opts for expensing of the options using the intrinsic value of the options, difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used fair value of the options & the impact of this difference on profits and on EPS of the Company.

Not Applicable

IV. Details of Options (Option Movement during the year):

| Sr. No. | Particulars | Details |
|---------|---|----------|
| 1 | Number of options outstanding at the beginning of the period* | 4,32,600 |
| 2 | Number of options granted during the year | Nil |
| 3 | Number of options cancelled during the year | Nil |
| 4 | Number of options forfeited/lapsed during the year | Nil |
| 5 | Number of options vested during the year | Nil |
| 6 | Number of options exercised during the year | Nil |
| 7 | Money realized by exercise of options (INR), if scheme is implemented directly by the Company | Nil |
| 8 | Loan repaid by the trust during the year from exercise price received | Nil |
| 9 | Number of options outstanding at the end of the year* | 4,32,600 |
| 10 | Number of options exercisable at the end of the year* | 4,32,600 |

* Before sub-division of shares

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:

Not applicable, no options were exercised during the year 2020-21.

VI. Employee-wise details of options granted during the year 2020-21 to:

| Sr. No. | Particulars | Details |
|----------------|---|----------------|
| 1 | Senior managerial personnel | Nil |
| 2 | any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and | Nil |
| 3 | 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. | Nil |

VII. A description of the method and significant assumptions used during the year to estimate the fair value of options granted during the year 2020-21:

No applicable. No options granted during the financial year 2020-21.

| Sr. No. | Particulars | Details |
|----------------|---|----------------|
| 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; | Nil |
| b | the method used and the assumptions made to incorporate the effects of expected early exercise; | Nil |
| c | how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and | Nil |
| d | whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition. | Nil |

D. Details related to ESPS – Not applicable

E. Details related to SAR – Not applicable

F. Details related to GEBS / RBS – Not applicable

G. Details related to Trust

I. General information:

| Sr. No. | Particulars | Details |
|---------|---|---|
| 1 | Name of the Trust | Finolex Industries Limited – Employees' Welfare Trust |
| 2 | Details of the Trustee(s) | Mr. Nitin Kulkarni, Mr. Rajan Ambre and Mr. Kartikey Dave |
| 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. | Nil |
| 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

| Sr. No. | Particulars | Details |
|---------|---|----------|
| 1 | Number of shares held at the beginning of the year* | 4,32,600 |
| 2 | Number of shares acquired during the year through | |
| | (i) primary issuance | Nil |
| | (ii) secondary acquisition | Nil |
| | 1. Number of shares acquired during the year | Nil |
| | 2. Percentage of paid up equity capital as at the end of the previous financial year | Nil |
| | 3. Weighted average cost of acquisition per share | Nil |
| 3 | Number of shares transferred to the employees along with the purpose thereof - equity shares were transferred to the employees upon exercise of options | Nil |
| 4 | Number of shares held at the end of the year* | 4,32,600 |

* Before sub-division of shares

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 | Nil |
| Acquired during the year | Nil |
| Sold during the year | Nil |
| Transferred to the employees during the year | Nil |
| Held at the end of the year | Nil |
