

## DISCLOSURES REGARDING STOCK OPTIONS

Statutory Disclosure pertaining to ESOPs in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 ('SEBI ESOP Regulations')

### 1. PIRAMAL ENTERPRISES LIMITED SENIOR EMPLOYEES WELFARE TRUST

| Sr. No. | Details   | Disclosures   |
|---------|---|---|
| 1.      | Options approved for Grant for FY 2021  | 9,46,680 options  |
| 2.      | Vesting requirements  | The options granted are vested after a period of one year from date of Grant. The quantum of options to be vested depends upon various performance criteria including performance of the Option Grantee, performance of the Company and other related factors.  |
| 3.      | Exercise Price or Pricing Formula   | The Exercise Price is determined by the Trustees of the Company's ESOP Trust, on the recommendations of the Nomination & Remuneration Committee and Board of Directors of the Company and is subject to a limit not exceeding the higher of: <ol style="list-style-type: none"> <li>market price on the date of grant; or</li> <li>average of the price prevailing for the type of share or other security in respect of which the option is granted during the 3 (three) months immediately preceding the date on which the option is offered to the Employee; or</li> <li>the issue price of any such shares or securities if the same have been issued within three months prior to the option.</li> </ol> |
| 4.      | Maximum term of options granted   | The exercise period per option is five years from the date the option becomes exercisable.  |
| 5.      | Source of Shares  | Combination   |
| 6.      | Method used to account for options - Intrinsic or fair value.   | Not applicable  |
| 7.      | Option movement during the year:  |   |
|         | a) Options outstanding at the beginning of the year   | 7,64,677  |
|         | b) Options granted during the year  | 9,46,680  |
|         | c) Options lapsed during the year   | 90,547  |
|         | d) Options vested during the year   | 3,79,420  |
|         | e) Options exercised  | 87,639  |
|         | f) Number of shares arising as a result of exercise of options  | Same as Options exercised, as each Option entitles the holder thereof to 1 equity share   |
|         | g) Money realized by exercise of options  | Not Applicable – No consideration received by the Company   |
|         | h) Loans repaid during the year by the trust from the money realized by the exercise of options   | Nil   |
|         | i) Variation in terms of options  | None  |
|         | j) Options outstanding at the end of the year   | 9,65,911  |
|         | k) Options exercisable at the end of the year   | 7,04,635  |
| 8.      | Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings per Share'   | No dilution in the EPS as there is no change in the share capital of the Company  |
| 9.      | Weighted average exercise price   | ₹ 875   |
| 10.     | Employees wise break up of options so granted:  |   |
|         | a) Senior Management Personnel  | All Stock Options have been granted by the Company to senior managerial personnel   |
|         | b) 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  |
| 11.     | Significant assumptions used to calculate the fair value of the options   | Not Applicable  |

Note:

- Since the PEL Employee Stock Ownership Plan 2015 ('PEL ESOP Scheme') is implemented by the ESOP Trust and the shares issued by the ESOP Trust against exercise of stock options are those that have been acquired by the ESOP Trust from existing shareholders and not fresh shares issued by the Company, there will not be any increase in the share capital of the Company, nor will there be any impact on the Earnings Per Share or other ratios relating to share capital as a result of such exercise of Stock Options. Therefore, *inter alia*, the question of accounting by the Company for ESOPs granted or vested or exercised and matters related thereto are not applicable.
- There has been no material change in the PEL ESOP Scheme and the same is in compliance with the SEBI ESOP Regulations.
- Requisite approval of shareholders to the PEL ESOP Scheme was obtained on March 14, 2007.
- Disclosures in respect of grants made in three years prior to IPO are not applicable to the Company.

## General Information on all schemes

| Sr. No. | Particulars   | Details   |
|---------|---|---|
| 1.      | Name of the trust   | Piramal Enterprises Limited Senior Employees Welfare Trust (Formerly known as Piramal Healthcare Limited Senior Employee Option Scheme) |
| 2.      | Details of Trustees   | Mr. Shyam Jatia<br>Mr. Sudhir Merchant  |
| 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   |

## Transactions of shares by the Trust

| Sr. No. | Description  | Disclosure |
|---------|--|------------|
| 1.      | No. of shares held by the Trust at the beginning of the year                                       | 16,02,073  |
| 2.      | No. of shares acquired during the year – Primary acquisition under the Rights Issue of the Company | NA         |
| 3.      | No. of shares transferred to the employees during the year   | 87,639     |
| 4.      | No. of shares held by the Trust at the end of the year   | 15,14,434  |

## 1. PIRAMAL PHYTOCARE LIMITED - SENIOR EMPLOYEES OPTION TRUST

Pursuant to the Scheme of Amalgamation of Piramal Phytocare Limited ('PPL') with the Company as sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench, vide its Order dated November 4, 2019 and made effective from December 2, 2019 ('Scheme'), the Piramal Phytocare Limited – Senior Employees Option Trust ('Trust') formulated by PPL is deemed to be established and formulated by the Company for the benefit of the employees of the Company (which include employees of PPL transferred to the Company). Therefore, the ESOP Scheme satisfies the requirements of Regulation 1(4) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, being a scheme set up for the benefit of the employees of the Company, and accordingly, PPL ESOP Trust has been categorized as Non-Promoter-Non-Public shareholder and disclosed as an employee benefit trust in the shareholding pattern filed by the Company for quarter ended December 31, 2019.

### General Information on all schemes

| Sr. No. | Particulars   | Details   |
|---------|---|---|
| 1.      | Name of the trust   | Piramal Phytocare Limited - Senior Employees Option Trust |
| 2.      | Details of Trustees   | Mr. Arvind Agarwal<br>Mr. Pramod K. Gothi                 |
| 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   |

### Transactions of shares by the Trust

| Sr. No. | Description   | Disclosure |
|---------|---|------------|
| 1.      | No. of shares held by the Trust at the beginning of the year  | 1,18,341   |
| 2.      | No. of shares acquired during the year - Primary acquisition pursuant to the Scheme and under the Rights Issue of the Company | NA         |
| 3.      | No. of shares transferred to the employees during the year  | 0          |
| 4.      | No. of shares held by the Trust at the end of the year  | 1,18,341   |
| 5.      | Source of Shares  | Primary    |

No Options were outstanding at the beginning of FY 2021 neither any Options were granted during the year. Hence other details regarding movement of Options during the year are not applicable.