

Annual Report 2023 -2024

DISCLOSURE PURSUANT TO REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 AS ON MARCH 31, 2024

As on March 31, 2024, the Company has the following Scheme:

"Gulf Oil Lubricants India Limited – Employees Stock Option Scheme – 2015 ("ESOP-2015")

Accordingly, the disclosures pertaining to stock options granted by the Company under the aforesaid Scheme and as required under the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Reg, 2021 are provided herein below:

A. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.

The disclosures are provided in the note 41 to the financial statements of the Company for the year ended March 31, 2024.

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

Rs. 62.19 per share.

C. Details related to ESOP - 2015 of the Company:

(i) description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -

(a)	Date of Shareholders Approval	May 13, 2015																																			
(b)	Total Number of Options approved under ESOP - 2015	24,78,624																																			
(c)	Vesting requirements	The vesting schedule for the options granted to the eligible employees (based on achievement of targets) shall be as under																																			
		<table border="1"> <thead> <tr> <th>Tranche-1</th> <th>Tranche-2</th> <th>Tranche-3</th> <th>Tranche-4</th> <th>Tranche-5</th> <th>Tranche 6</th> <th>Tranche7</th> </tr> </thead> <tbody> <tr> <td>- 10% of the options granted shall vest at the end of one year from the Grant date;</td> <td></td> <td></td> <td>50% after 1 year and</td> <td></td> <td>- 10% of the options granted shall vest at the end of one year from the Grant date;</td> <td></td> </tr> <tr> <td>- 15% of the options granted shall vest at the end of two years from the Grant date;</td> <td></td> <td></td> <td>balance 50% at the end of 2 year from grant date</td> <td></td> <td>- 15% of the options granted shall vest at the end of two years from the Grant date;</td> <td></td> </tr> <tr> <td>- 15% of the options granted shall vest at the end of three years from the Grant date;</td> <td></td> <td></td> <td></td> <td></td> <td>- 15% of the options granted shall vest at the end of three years from the Grant date;</td> <td></td> </tr> <tr> <td>- And balance 60% of the options granted shall vest at the end of four years from Grant date</td> <td></td> <td></td> <td></td> <td></td> <td>- And balance 60% of the options granted shall vest at the end of four years from Grant date</td> <td></td> </tr> </tbody> </table>	Tranche-1	Tranche-2	Tranche-3	Tranche-4	Tranche-5	Tranche 6	Tranche7	- 10% of the options granted shall vest at the end of one year from the Grant date;			50% after 1 year and		- 10% of the options granted shall vest at the end of one year from the Grant date;		- 15% of the options granted shall vest at the end of two years from the Grant date;			balance 50% at the end of 2 year from grant date		- 15% of the options granted shall vest at the end of two years from the Grant date;		- 15% of the options granted shall vest at the end of three years from the Grant date;					- 15% of the options granted shall vest at the end of three years from the Grant date;		- And balance 60% of the options granted shall vest at the end of four years from Grant date					- And balance 60% of the options granted shall vest at the end of four years from Grant date	
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(d)	Exercise price or pricing formula	Exercise Price: The Nomination and Remuneration Committee of the Board (Acting as the Compensation Committee) (hereinafter referred to as "NRC") to determine the price of options granted under ESOP-2015 Plan, in accordance with applicable provisions of SBEB Regulations.																																			
(e)	Maximum term of options granted	Exercise period to commence from the Vesting Date and will expire on completion of such period not exceeding 5 years from the Vesting Date.																																			
(f)	Source of shares (primary, secondary or combination)	The source of shares is Primary.																																			
(g)	Variation in terms of options	There was no variation in terms of Options																																			
(h)	Method used to account for ESOP (Intrinsic or fair value)	Fair Value Method																																			
(i)	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 profits and on EPS	Not Applicable																																			

(ii)		Option movement during the year						
		Tranche-1	Tranche-2	Tranche-3	Tranche-4	Tranche-5	Tranche 6	Tranche 7
(a)	Number of options outstanding at the beginning of the period	2,662	0	68,785	17,403	0	8,19,636	0
(b)	Number of options granted during the year	0	0	0	0	0	0	52,478
(c)	Number of options forfeited / lapsed during the year	2662	0	25,017	764	0	51,859	0
(d)	Number of options vested during the year	0	0	3,700	16,639	0	131008	0
(e)	Number of options exercised during the year	0	0	3,700	16,639	0	1,31,008	0
(f)	Number of shares arising as a result of exercise of options	0	0	3,700	16,639	0	1,31,008	0
(g)	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	0	0	20,11,394	5590704	0	45843629	0
(h)	Number of options expired during the year	0	0	0	0	0	0	0
(i)	Loan repaid by the Trust during the year from exercise price received	Not applicable						
(j)	Number of options outstanding at the end of the year	0	0	40,068	0	0	6,36,769	52,478
(k)	Number of options exercisable at the end of the year	0	0	40,068	0	0	6,36,769	52,478
(v)	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	<p>Weighted-average exercise price of options: Tranche 1:Rs.336.00, Tranche 3: Rs. 544, Tranche 4:Rs.336.00, Tranche 6: Rs. 350 & Tranche7: 428.15</p> <p>Weighted-average fair value of options: Tranche 1: Rs.293.84, Tranche 2: 284.15, Tranche 3: 417.82, Tranche 4: Rs.523.90, Tranche 5: 467.60 , Tranche 6: Rs. 195.21 & Tranche7: 232.27</p>						
(vi)	Details of options granted during the financial year 2023-24							
(a)	Senior Managerial Personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	Details with respect to the grants made to the Senior management personnel and employee(s), if any, who were granted Options during the year, shall be made available to the Members based on a request received by the Company at secretarial@gulfoil.co.in.						
(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	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						

(vii)		A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:															
	(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;	<table border="1"> <tr> <td>Weighted-average values of share price (Fair Value)</td> <td>Tranche 1: Rs.293.84, Tranche 2: 284.15, Tranche 3: 417.82, Tranche 4: Rs.523.90, Tranche 5: 467.60 , Tranche 6: Rs. 195.21 & Tranche7: 232.27</td> </tr> <tr> <td>Exercise price</td> <td>Tranche 1:Rs.336.00, Tranche 2: Rs.354.51, Tranche 3: Rs. 543.62, Tranche 4:Rs.336.00 & Tranche 5: Rs.354.51 & Tranche 6: Rs. 349.93 & Tranche 7: Rs. 428.15</td> </tr> <tr> <td>Risk free interest rate</td> <td>Tranche 1:-7.69% - 7.76% Tranche 2:- 7.44% - 7.75%, Tranche 3:- 6.76% to 7.06%, Tranche 4:- 6.90% to 7.00% , Tranche 5:- 5.84% to 6.07% Tranche 6: 5.15% to 6.08 % & Tranche7: 7.26%-7.31%</td> </tr> <tr> <td>Expected option life</td> <td>Tranche 1: 3.58 years to 6.58 years, Tranche 2: 3.50 -6.50 Years, Tranche 3: 3.50 -6.50 Years, Tranche 4: 3.50 -4.50 Years, Tranche 5: 3.50 -4.50 Years Tranche 6: 3.50 to 6.50 Years & Tranche7: 3.50 to 6.50 Years</td> </tr> <tr> <td>Expected volatility**</td> <td>Tranche 1: 40.62% Tranche 2: 40.03% Tranche 3: 35.73% Tranche 4: 29.80 to 32.70% Tranche 5: 29.26 to 29.57% , Tranche 6: 31.76 to 32.54 % & Tranche7: 30.02% to 31.12%</td> </tr> <tr> <td>Expected dividends</td> <td>Tranche 1: -Rs. 2.00 Per Share, Tranche 2:- Rs. 6.50 per share, Tranche 3:- Rs. 7.50 per share, Tranche 4:- Rs. 11.00 per share & Tranche 5:- Rs. 11.5 per share & Tranche 6: Rs 16.00 per share& Tranche 7 Rs 25 per share</td> </tr> <tr> <td colspan="2">** Expected volatility is the last one year average volatility</td> </tr> </table>	Weighted-average values of share price (Fair Value)	Tranche 1: Rs.293.84, Tranche 2: 284.15, Tranche 3: 417.82, Tranche 4: Rs.523.90, Tranche 5: 467.60 , Tranche 6: Rs. 195.21 & Tranche7: 232.27	Exercise price	Tranche 1:Rs.336.00, Tranche 2: Rs.354.51, Tranche 3: Rs. 543.62, Tranche 4:Rs.336.00 & Tranche 5: Rs.354.51 & Tranche 6: Rs. 349.93 & Tranche 7: Rs. 428.15	Risk free interest rate	Tranche 1:-7.69% - 7.76% Tranche 2:- 7.44% - 7.75%, Tranche 3:- 6.76% to 7.06%, Tranche 4:- 6.90% to 7.00% , Tranche 5:- 5.84% to 6.07% Tranche 6: 5.15% to 6.08 % & Tranche7: 7.26%-7.31%	Expected option life	Tranche 1: 3.58 years to 6.58 years, Tranche 2: 3.50 -6.50 Years, Tranche 3: 3.50 -6.50 Years, Tranche 4: 3.50 -4.50 Years, Tranche 5: 3.50 -4.50 Years Tranche 6: 3.50 to 6.50 Years & Tranche7: 3.50 to 6.50 Years	Expected volatility**	Tranche 1: 40.62% Tranche 2: 40.03% Tranche 3: 35.73% Tranche 4: 29.80 to 32.70% Tranche 5: 29.26 to 29.57% , Tranche 6: 31.76 to 32.54 % & Tranche7: 30.02% to 31.12%	Expected dividends	Tranche 1: -Rs. 2.00 Per Share, Tranche 2:- Rs. 6.50 per share, Tranche 3:- Rs. 7.50 per share, Tranche 4:- Rs. 11.00 per share & Tranche 5:- Rs. 11.5 per share & Tranche 6: Rs 16.00 per share& Tranche 7 Rs 25 per share	** Expected volatility is the last one year average volatility	
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	(b)	The method used and the assumptions made to incorporate the effects of expected early exercise;	Not applicable, as the Scheme does not provide for early exercise.														
	(c)	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Calculation is based on historic stock prices. Volatility was calculated using standard deviation of daily change in stock price. Ideally, the historical period considered for volatility should match the expected life of the option. Since stock price history to commensurate with expected life of an option is not available, volatility has been calculated using the maximum history available till the listing of the Company.														
	(d)	Whether and how any other measures of the option grant were incorporated into the measurement of fair value, such as a market condition	The expected life of share option is based on historical data. Future market conditions are not used for measurement of fair value.														