

JUBILANT FOODWORKS LIMITED

Disclosure pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

- A. Relevant disclosures in terms of the “Guidance Note on Accounting for Employee Share-based Payments” issued by ICAI has been made in Note no. 28 of the Notes to Accounts forming part of the Annual Report 2015-16 of the Company.
- B. Diluted earnings per share pursuant to the issue of share on exercise of options calculated in accordance with AS-20, “Earnings Per Share” is Rs. 16.91.
- C. **Summary of Status of ESOP granted**

(i) The description of the existing scheme is summarized as under:-

Sno.	Particulars	ESOP 2007	ESOP 2011
1 (a)	Date of Shareholder's approval	6-Aug-2007	20-Aug-2011
(b)	Date of last modification	3-Sep-2009	3-Sep-2015
2	Total number of options approved	25,00,000	25,00,000
3	Vesting requirements	Vesting takes place on staggered basis over a period of five years.	Vesting takes place on staggered basis over a period of 3 years. Further vesting of options is a function of achievement of performance criteria or any other criteria as specified by the Nomination, Remuneration and Compensation Committee and communicated in the grant letter.
4	Exercise Price or Pricing Formula	The Price of options granted before the listing of shares was determined by the Compensation Committee.	The options are granted to eligible employees at the latest available closing price of the shares of the Company, prior to the grant date, at the NSE or BSE (whichever stock exchange is having the highest trading volume of the shares).
5	Maximum Term of options granted	9 years from date of first vesting	7 years from date of first vesting
6	Sources of Shares (primary, secondary or combination)	Primary	Combination
7	Variation in terms of Options	No variation during the financial year 2015-16.	ESOP 2011 was modified vide shareholder's approval dated 3-Sep-15 to align the provisions of the Scheme with ESOP

			Regulations including but not limited to facilitating Secondary Acquisition of shares by JFL Employees Welfare Trust or acquisition by way of gift in accordance with applicable laws.
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(ii) The movement of options during the year are as follows:-

Sno.	Particulars	ESOP 2007	ESOP 2011
1	Number of options outstanding at the beginning of the year	261,967	746,602
2	Number of options granted during the year	-	-
3	Number of options forfeited / lapsed during the year	-	66,896
4	Number of Options vested during the year	-	172,400
5	Number of options exercised during the year	168,853 (includes 1550 options exercised pending allotment)	56,878 (includes 300 options exercised pending allotment)
6	Number of shares arising as a result of exercise of options	167,303	56,578
7	Money realized by exercise of options (INR), if scheme is implemented directly by the company	7,087,415	47,300,103
8	Loan repaid by the Trust during the year from exercise price received	-	-
9	Number of options outstanding at the end of the year	93,114	622,828
10	No. of options exercisable at the end of the year	93,114	383,468

(iii) Employee-wise details of options granted during the financial year 2015-16 under ESOP 2007 and ESOS 2011 to :-

S no.	Particulars	ESOP 2007	ESOP 2011
1	Senior managerial personnel	The Company has not granted any option during FY 2015-16	
2	Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year		
3	Identified employees who were granted option, during one year, equal to or exceeding 1% of the issued capital of the Company at the time of grant		

(iv) Weighted Average Fair Value/Exercise Price of Options granted during the year.

Particulars	Weighted Average Fair Value	Weighted Average Exercise Price
a. Exercise price equals market price	The Company has not granted any option during FY 2015-16 under any of the Schemes	
b. Exercise price is greater than market price		
c. Exercise price is less than market price		

(v) Method used to account for ESOP - The compensation cost of stock options granted to employees is calculated based on intrinsic value method, i.e. the excess of the market price of shares immediately prior to date of grant over the exercise price to be paid by the option holders. The compensation cost is amortised to the Statement of Profit and Loss over the vesting period of the stock option.

The stock-based compensation cost calculated as per the intrinsic value method for the period April 01, 2015 to March 31, 2016 is Nil. If the stock-based compensation cost was calculated as per the fair value method prescribed by SEBI, the total cost to be recognized in the financial statements for the period April 01, 2015 to March 31, 2016 would be Rs. 315.97 lacs. The effect of adopting the fair value method on the net income and earnings per share is presented below:-

Adjusted Net Income and Earnings Per Share:

Particulars	Rs. in Lakhs
Profit after tax as reported	11,456.25
Add: ESOP cost using intrinsic value method	-
Less: ESOP cost using fair value method	315.97
Proforma profit after tax	11,140.28
Earnings per share (in Rs.)	
Basic	
- As reported	17.44
- As proforma	16.96
Diluted	
- As reported	17.38
- As proforma	16.91

(vi) Method and significant assumptions used to estimate the fair value of options granted during the year:-

The Company has not granted any option during FY 2015-16.

D. JFL Employees Welfare Trust (JFL Trust)

Details of transactions made by the JFL Trust for the purpose of administering the ESOP schemes is as under:-

(i) General information on all schemes

Sr. No.	Particulars	Details
1	Name of the Trust	JFL Employees Welfare Trust
2	Details of the Trustee(s)	1. Ms. Nandini Gore 2. Mr. Bhagat Ram Goyal

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	Nil
2	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;	
3	Number of shares transferred to the employees / sold along with the purpose thereof;	
4	Number of shares held at the end of the year	

(iii) In case of secondary acquisition of shares by the Trust

Sr. No.	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
1	Held at the beginning of the year	Nil
2	Acquired during the year	
3	Sold during the year	
4	Transferred to the employees during the year	
5	Held at the end of the year	