

JUBILANT FOODWORKS LIMITED

Disclosure pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - For Financial Year 2016-17

- 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. 31 of the Notes to Accounts forming part of the Annual Report 2016-17 of the Company.
- B. Diluted earnings per share pursuant to the issue of share on exercise of options calculated in accordance with Indian Accounting Standards Ind-AS 33, “Earnings Per Share” is Rs. 10.20.

C. Summary of Status of ESOP granted

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

Sno.	Particulars	ESOP 2007	ESOP 2011	ESOP 2016
1 (a)	Date of Shareholder's approval	6-Aug-2007	20-Aug-2011	2-Nov-2016
(b)	Date of last modification	3-Sep-2009	3-Sep-2015	N.A.
2	Total number of options approved	25,00,000	25,00,000	3,50,000
3	Vesting requirements	Vesting was 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.	As determined by the Nomination, Remuneration and Compensation Committee (NRC Committee) and communicated in the grant letter subject to a maximum period of five (5) years. Further vesting of options is a function of achievement of performance criteria or any other criteria as specified by the NRC Committee.
4	Exercise Price 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	Exercise price shall be determined by NRC Committee and specified in Grant Letter but it shall not be less than the face

			(whichever stock exchange is having the highest trading volume of the shares).	value of shares of the Company.
5	Maximum Term of options granted	9 years from date of first vesting	7 years from date of first vesting	As determined by NRC Committee and specified in Grant Letter but shall not exceed 5 years from vesting date.
6	Sources of Shares (primary, secondary or combination)	Primary	Combination	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.	ESOP 2016 was approved in FY 2016-17. Post approval no variation in ESOP 2016.

(ii) The movement of options during the year are as follows:-

Sno.	Particulars	ESOP 2007	ESOP 2011	ESOP 2016
1	Number of options outstanding at the beginning of the year	93,114	622,828	-
2	Number of options granted during the year	-	10,272	14,528
3	Number of options forfeited / lapsed during the year	-	94,791	-
4	Number of Options vested during the year	-	130,124	-
5	Number of options exercised during the year	87,114 (includes 1000 options exercised pending allotment)	66,000	-

6	Number of shares arising as a result of exercise of options	86,114	66,000	-
7	Money realized by exercise of options (INR), if scheme is implemented directly by the company	57.58 lakhs	441.54 lakhs	-
8	Loan repaid by the Trust during the year from exercise price received	-	-	-
9	Number of options outstanding at the end of the year	6,000	472,309	14,528
10	No. of options exercisable at the end of the year	6,000	414,637	-

(iii) Employee-wise details of options granted during the financial year 2016-17 under ESOP 2007, ESOS 2011 and ESOP 2016 to :-

1	Senior Managerial Personnel				
	Name of Employees	Designation	Scheme	No. of options granted during the year	Exercise Price
	Sachin Sharma	President & CFO	ESOP 2011	4,977	Rs. 830
			ESOP 2016	2,615	Rs. 10
	Dev Amritesh	President & CBO - Domino's Pizza	ESOP 2011	2,235	Rs. 830
			ESOP 2016	1,753	Rs. 10
	Tarun Bhasin	President & CBO - Dunkin Donuts	ESOP 2011	3,060	Rs. 830
			ESOP 2016	1,607	Rs. 10
	Biplob Banerjee	EVP - HR, Admin & CSR	ESOP 2016	1,685	Rs. 10
	Subroto Gupta	SVP - Business Excellence & Innovation	ESOP 2016	1,608	Rs. 10
Avinash Kant Kumar	EVP - Supply Chain	ESOP 2016	1,589	Rs. 10	
Ramandeep Singh Viridi	SVP - Information Technology	ESOP 2016	1,263	Rs. 10	
2	Other Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year				
	Name of Employees	Designation	Scheme	No. of options granted during the year	Exercise Price
	Murugan Narayanaswamy	SVP - Marketing	ESOP 2016	1,349	Rs. 10
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 - Nil				

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

i) ESOP 2011:-

Particulars	Weighted Average Fair Value	Weighted Average Exercise Price
a. Exercise price equals market price	Rs.259.98	Rs. 830
b. Exercise price is greater than market price	-	-
c. Exercise price is less than market price	-	-

ii) ESOP 2016

Particulars	Weighted Average Fair Value	Weighted Average Exercise Price
a. Exercise price equals market price	-	-
b. Exercise price is greater than market price	-	-
c. Exercise price is less than market price	Rs. 717.36	Rs. 10

- (v) Method used to account for ESOP - The compensation cost of stock options granted to employees is calculated based on fair value method.

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 of the company shall also be disclosed. - **Not Applicable**

- (vi) A description of the method and significant assumptions used during the year to estimate the fair value of options at the time of grant including the following information:-

Particular	31st March 2017		
	ESOP 2007	ESOP 2011	ESOP 2016
Dividend yield (%)	NA	0.00 - 3.00%	3%
Expected volatility (%)	NA	34.38% - 52.75%	43.65%
Risk-free interest rate (%)	NA	6.44% - 9.05%	6.70%
Expected life of share options (years)	NA	2.00	2.00
Weighted average share price (INR)	NA	1260-1400	830.00
Model used	NA	Black Scholes	Black Scholes

The expected life of the stock is based on historical data and current market expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

For more details, please refer Note 31 of Notes to Standalone Financial Statements forming part of Annual Report for FY 2017.

- 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

Details of transactions made by the JFL Employees Welfare 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	