



JUBILANT FOODWORKS LIMITED

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Disclosure pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – For Financial Year 2018-19

- 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. 32 of the Notes to Standalone Financial Statements forming part of the Annual Report 2018-19 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” has been disclosed in the Standalone Financial Statements for FY 2019.

C. Summary of Status of ESOP granted

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

Sno.	Particulars	ESOP 2011	ESOP 2016
1 (a)	Date of Shareholder's approval	20-Aug-2011	2-Nov-2016
(b)	Date of last modification	3-Sep-2015	N.A.
2	Total number of options approved	25,00,000	3,50,000
3	Vesting requirements	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) 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.
4	Exercise Price or Pricing Formula	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	Exercise price shall be determined by NRC and specified in Grant Letter but it shall not be less than the face value of shares of the Company.

		having the highest trading volume of the shares).	
5	Maximum Term of options granted	7 years from date of first vesting	As determined by NRC and specified in Grant Letter but shall not exceed 5 years from vesting date.
6	Sources of Shares (primary, secondary or combination)	Combination	Combination
7	Variation in terms of Options during 2018-19	No variation	No variation

(ii) (a) The movement of options Pre bonus issue 2018 (i.e. from April 1, 2018 to June 26, 2018) is as follows:-

Sno.	Particulars	ESOP 2011	ESOP 2016
1	Number of options outstanding at the beginning of the year	121,676	27,092
2	Number of options granted Pre Bonus Issue 2018	4,601	1,928
3	Number of options forfeited/lapsed Pre Bonus Issue 2018	2,028	-
4	Number of options vested Pre Bonus Issue 2018	6,474	-
5	Number of options exercised Pre Bonus Issue 2018	27,063	-
6	Number of shares arising as a result of exercise of options Pre Bonus Issue 2018	27,063	-
7	Money realized by exercise of options (INR), if scheme is implemented directly by the company	-	-
8	Loan repaid by the Trust Pre Bonus Issue 2018 from exercise price received (INR)	340.00 Lakhs	-
9	Number of options outstanding Pre Bonus Issue 2018*	97,186	29,020
10	No. of options exercisable Pre Bonus Issue 2018	65,127	-

**options entitled to Bonus Share in the ratio of 1:1 i.e. on exercise of one option, two shares will be allotted to the employee.*

(ii) (b) The movement of options Post issue of Bonus Shares (i.e. from June 27, 2018) till March 31, 2019 is as follows:-

Sno.	Particulars	ESOP 2011	ESOP 2016
1	Number of options outstanding Post Bonus Issue 2018	97,186	29,020
2	Number of options granted Post Bonus Issue 2018	21,929	16,449
3	Number of options forfeited/lapsed Post Bonus Issue 2018	-	4,285
4	Number of options vested Post Bonus Issue 2018	312	-

5	Number of options exercised Post Bonus Issue 2018	10,450	-
6	Number of shares arising as a result of exercise of options Post Bonus Issue 2018	10,450	-
7	Number of Bonus shares arising on exercise of eligible stock options	10,450	-
8	Money realized by exercise of options (INR), if scheme is implemented directly by the company	-	-
9	Loan repaid by the Trust Post Bonus Issue 2018 from exercise price received (INR)*	451.21 Lakhs	-
10	Number of options outstanding post Bonus Issue 2018 as of March 31, 2019	108,665	41,184
11	Number of options outstanding entitled to Bonus Shares (1:1)	86,736	24,735
12	No. of options exercisable post Bonus Issue 2018 as of March 31, 2019	54,989	-

*exclusive of Loan repaid by Trust through receipt of Dividend Income and Sale proceeds of unappropriated inventory of shares

(iii) Employee-wise details of options granted during the financial year 2018-19 is as follows:-

1	Senior Managerial Personnel				
	Name of Employees	Designation	Scheme	No. of options granted during the year	Exercise Price (Rs.)
	Pratik Pota	CEO & Wholetime Director	ESOP 2011	4,601	2,454
			ESOP 2011	14,543	1,277
			ESOP 2016	6,785	10
	Rajneet Kohli	EVP- Operations Support	ESOP 2011	3,678	1,437
			ESOP 2016	1,912	10
	Pallavi Bakshi	EVP – HR, CSR and Admin	ESOP 2011	3,708	1,277
			ESOP 2016	1,858	10
	Prakash C. Bisht	EVP & CFO	ESOP 2016	1,561	10
	Avinash Kant Kumar	EVP – Supply Chain, Quality Enhancement & Maintenance	ESOP 2016	1,453	10
	Shivam Puri	SVP – Dunkin’ Donuts & New Business	ESOP 2016	1,469	10
	Anand Thakur	SVP – Chief Digital Officer	ESOP 2016	1,409	10
	Subroto Gupta	SVP – Business Excellence & Innovation	ESOP 2016	1,236	10
	Kapil Grover	SVP - Marketing	ESOP 2016	694	10
2	Other Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year - Nil				
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.516.53	Rs.1,503.30
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. 1,393.48	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 2019	
	ESOP 2011	ESOP 2016
Dividend yield (%)	0.10 - 0.21%	0.10 - 0.21%
Expected volatility (%)*	34.30% - 37.00%	35.77% - 36.66%
Risk-free interest rate (%)	6.79% - 7.94%	7.16% - 7.41%
Expected life of share options (years)*	2 - 4	3.42 - 4.33
Share Price at Grant Date (INR)	1,195.75 - 2,453.15	1,195.75 - 2,453.15
Model used	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 32 of Notes to Standalone Financial Statements forming part of Annual Report 2018-19.

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	229,489 (Further, 202,426 Bonus shares were allotted to Trust on 26-Jun-18).
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;	Nil

3	Number of shares transferred to the employees / sold along with the purpose thereof;	<p>i) 47,963 shares were transferred to employees pursuant to exercise of ESOPs in terms of ESOP 2011.</p> <p>ii) 110,006 shares, being unappropriated inventory of equity shares not backed by grant under ESOP Schemes of the Company held by ESOP Trust were sold in open market through stock exchanges for the purpose of compliance with Reg. 3(12) of SEBI (Share Based Employee Benefits) Regulations, 2014 and to repay the loan taken from the Company.</p>
4	Number of shares held at the end of the year	273,946

(iii) In case of secondary acquisition of shares by the Trust :- Not applicable since no secondary acquisition was made by the ESOP Trust during FY 2019.