

DISCLOSURE WITH RESPECT TO FLFL EMPLOYEES STOCK OPTIONS SCHEME - 2013 (FLFL ESOS - 2013) AND FLFL EMPLOYEES STOCK OPTIONS PLAN - 2015 (FLFL ESOP - 2015) OF THE COMPANY AS AT MARCH 31, 2020

Sl. No.	Particulars	FLFL ESOS - 2013	FLFL ESOP - 2015
A.	Disclosures in terms of the relevant Indian Accounting Standards, as prescribed from time to time	Refer note. no. 37 in Notes forming part of the Standalone Financial Statements.	
B.	Diluted Earnings Per Share (EPS) on issue of Shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with Indian Accounting Standard 33, as prescribed from time to time	Refer note. no. 32 in Notes forming part of the Standalone Financial Statements.	
C.	Description and general terms and conditions of ESOSs		
		FLFL ESOS - 2013	FLFL ESOP - 2015
I.	Date of Shareholders' approval	December 16, 2013	August 26, 2016
II.	Total number of Options approved	15,00,000 (Fifteen Lakh only)	35,00,000 (Thirty Five Lakh only)
III.	Vesting requirements	Options granted under FLFL ESOS - 2013 would vest not less than 1 year and not more than 3 years from the Grant Date of such Options. The Options granted to employees pursuant to the Composite Scheme of Arrangement and Amalgamation, had been vested as per the original vesting period in the respective companies.	Options granted under FLFL ESOS - 2015 would vest not less than 1 year and not more than 3 years from the Grant Date of such Options.
IV.	Exercise price or pricing formula	Exercise price for Options granted under the Scheme was ₹ 10/- per option for Grant I, II and III and ₹ 2/- per option for Grant IV.	Exercise price for Options granted under the Scheme was ₹ 10/- per Option for Grant - I & II and ₹ 189/- per Option for Grant - III.
V.	Maximum term of Options granted	Three years from the respective date of vesting of Options.	Three years from the respective date of vesting of Options.
VI.	Source of shares (primary, secondary or combination)	Primary	Primary and Secondary
VII.	Variation in terms of Options	None	None
VIII.	Method used to account for ESOS - Intrinsic or fair value	Fair Value Method	Fair Value Method
IX.	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 recognised 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.	N.A.	N.A.
X.	Option movement during the financial year ended on March 31, 2020		
	Number of Options outstanding at the beginning of the year	1,34,592	13,97,224
	Number of Options granted during the year	88,059	Nil
	Number of Options forfeited / lapsed during the year	-	36,000
	Number of Options vested during the year	-	4,73,900
	Number of Options exercised during the year	1,34,592	5,92,724
	Number of shares arising as a result of exercise of Options	1,34,592	5,92,724
	Money realised by exercise of Options, if scheme is implemented directly by the Company	₹ 13,45,920/-	₹ 10,08,41,990/-

Sl. No.	Particulars	FLFL ESOS - 2013	FLFL ESOP - 2015
	Loan repaid by the Trust during the year from N.A. exercise price received		N.A.
	Number of Options outstanding (in force) at the end of the year	88,059	7,68,500
	Number of Options exercisable at the end of the year		2,62,900

Weighted average Fair Value/Exercise Price of Options granted under FLFL ESOS-2013 during the financial year ended on March 31, 2020

Particulars	Fair Value	Exercise Price
(i) Price equals market price	N.A.	N.A.
(ii) Price is greater than market price	N.A.	N.A.
(iii) Price is less than market price	₹ 389.14	₹ 2.00

Employee-wise details of Options granted under FLFL ESOS-2013 during the financial year ended on March 31, 2020

Particulars	Name of Employee	No. of Options
(i) Senior managerial personnel / Key managerial personnel	Ms. Bharati Balakrishnan	88,059
(ii) Employees who were granted, during any one year, Options amounting to five percent or more of the Options granted during the year	Ms. Bharati Balakrishnan	88,059
(iii) Identified employees who were granted during any one year equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grants	None	N.A.

F. Method and significant assumptions used to estimate the fair value of Options granted during the financial year ended March 31, 2020

The fair value has been calculated using the Black Scholes Option Pricing model.

The Assumptions used in the model are as follows:

Particulars	Grant III
Date of Grant	February 12, 2020
Risk-free Interest Rate	5.82%
Expected Option Life	3.5 Years
Expected Volatility	27.69%
Dividend Yield	1.4
Price of the underlying share in market at the time of the Option grant	₹ 395.65
Stock Price	The share price as on the date of grant has been considered.
Volatility	Volatility was calculated using standard deviation of daily change in stock price. The historical period taken into account match the expected life of the option.
Risk-free rate of return	Zero coupon sovereign bond yields as on the February 12, 2020 were utilised with maturity equal to expected term of the option.
Exercise Price	₹ 2.00
Expected Option Life/ Time to Maturity	The expected option life is assumed to be approximately half way between the option vesting period and contractual term of the option. Since the vesting period and contractual term is different, the expected life of the option will be different. The expected option life is calculated as Year to Vesting + (Contractual Option Term)/2.
Expected divided yield	It is considered to be 1.4 per share based on the dividend declared by the Company for financial year 2018-19.

Details of the Company's Employees' Welfare Trust:

The following details inter-alia, in connection with transactions made by the Trust meant for the purpose of administering the FLFL ESOP - 2015 are as under:

I. General Information of Trust	
Name of the Trust	Future Lifestyle Fashions Limited Employees' Welfare Trust
Details of the Trustee(s)	Milestone Trusteeship Services Private Limited
Amount of loan disbursed by Company / any company in the group , during the year	₹ 13,11,53,597.00
Amount of loan outstanding (repayable to Company / any company in the group) as at the end of the year	₹ 13,11,53,597.00
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
Any other contribution made to the Trust during the year	Nil
II. Brief details of transactions in Shares by the Trust	
a. Number of shares held at the beginning of the year	Nil
b. Number of shares acquired during the year through:	
i. primary issuance	Nil
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	Aggregating 3,63,864 Equity Shares acquired by the Trust constituting 0.18% of the total paid-up and issued capital of the Company as on March 31, 2020.
	Weighted average cost of acquisition per share is ₹ 333.47
c. Number of shares transferred to the employees / sold along with the purpose thereof	Nil
d. Number of shares held at the end of the year	3,63,864
III. In case of secondary acquisition of Shares by the Trust	
a. Held at the beginning of the year	Nil
b. Acquired during the year	3,63,864
c. Sold during the year	Nil
d. Transferred to the employees during the year	Nil
e. Held at the end of the year	3,63,864