

ESOS DISCLOSURE ON WEBSITE OF THE COMPANY

- A. Disclosures with respect to Employees’ Stock Option Scheme, 2012 and Employees’ Stock Option Scheme, 2017 of the Company pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 as on March 31, 2022:**

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.
Members may refer to the audited financial statement prepared as per Indian Accounting Standard (Ind-AS) for the year 21-22.

- 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.**

Diluted EPS for the year ended 2021-22 is Rs. 0.87 (Consolidated) calculated in accordance with Ind-AS 33 (Earnings Per Share).

- C. Details related to Employee Stock Option Scheme - 2012 (“ESOS 2012”) and FSN Employees Stock Option Scheme 2017 (“ESOS 2017”)**

Sr. No.	Particulars	ESOS 2012	ESOS 2017
1(a)	Date of shareholders’ approval	ESOS 2012 May 31, 2012, November 26, 2019, April 21, 2020, July 16, 2021 and February 9, 2022	ESOS 2017 October 10, 2017, November 26, 2019, April 21, 2020, July 16, 2021 and February 9, 2022
(b)	Total number of options approved under ESOS	2,40,00,000*	90,00,000*
(c)	Vesting requirements	Options granted under would vest not less than one year	Options granted under would vest not less than one year
(d)	Exercise price or pricing formula	The exercise price shall not be less than the face value and shall not be more than fair market value (FMV) of an equity share of the company at the time of grant of option as determined by NRC from time to time and shall be in conformity with the applicable accounting policies, if any	The exercise price shall not be less than the face value and shall not be more than fair market value (FMV) of an equity share of the company at the time of grant of option as determined by NRC from time to time and shall be in conformity with the applicable accounting policies, if any.

Sr. No.	Particulars	ESOS 2012	ESOS 2017
(e)	Maximum term of options granted	4 years	4 years
(f)	Source of shares (primary, secondary or combination)	Primary	Primary
(g)	Variation in terms of options	None	None
2	Method used to account for ESOS - Intrinsic or fair value.	Fair Value	Fair Value
3	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	NA	NA
4	Option movement during the year:		
	Number of options outstanding at the beginning of the period	5,25,930	56,57,280
	Number of options granted during the year	1,74,000	20,26,200
	Number of options forfeited during the year	-	(5,36,000)
	Number of options expired / lapsed during the year	-	-
	Number of options vested during the year	37,500	20,58,150
	Number of options exercised during the year	(5,25,930)	(27,28,830)
	Number of shares arising as a result of exercise of options	5,25,930	27,28,830
	Money realized by exercise of options (INR), if scheme is implemented directly by the company	79,09,711	23,56,92,902
	Loan repaid by the Trust during the year from exercise price received	Not applicable	
	Number of options outstanding at the end of the	1,74,000	44,18,650

Sr. No.	Particulars	ESOS 2012	ESOS 2017
	year		
	Number of options exercisable at the end of the year	1,74,000	44,18,650
5	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	Weighted-average exercise prices for options granted during the year: 650.46 Weighted-average fair values for options granted during the year: 184.15	Weighted-average exercise prices for options granted during the year: 429.96 Weighted-average fair values for options granted during the year: 117.30
6	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –		
	(a) senior managerial personnel	Annexure-A	Annexure-A
	(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	Nil	Nil
	(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	Nil	Nil
7	Description of the method and significant assumptions used during the year to estimate the fair value of options	Annexure-B	Annexure-B

Disclosures in respect of grants made in three years prior to IPO under each ESOS

Annexure-A

Details of Options to Senior Managerial Personnel

Sr. No.	Name of Senior Managerial Personnel	Designation	Options granted during the year	Exercise Price
1	Falguni Nayar	Executive Chairperson, Managing Director & CEO	-	-
2	Adwaita Nayar	Chief Executive Officer - Fashion	-	-
3	Anchit Nayar	Chief Executive Officer - Beauty E-commerce	-	-
4	Reena Chhabra	Chief Executive Officer - Private Label	1,20,000	358.89
5	Nihir Parikh	Chief Executive Officer - NykaaMan	1,20,000	358.89
6	Vikas Gupta	Chief Executive Officer - eB2B(Distribution)	2,85,000	358.89
7	Arvind Agarwal	Chief Finance Officer	-	-
8	Sanjay Suri	Chief Technology Officer	60,000	358.89
9	Surender Mehta	Group Chief Human Resources Officer	-	-
10	Shalini Raghavan	Chief Marketing Officer	-	-
11	Manoj Jaiswal	Chief Officer - Supply Chain	60,000	358.89
12	Gopal Asthana	Chief Business Officer - Fashion	45,000	358.89
13	Kingshuk Basu	Sr. VP - Retail Operations	-	-
14	Rajendra Punde	Head - Company Secretary & Legal Compliance Officer	9,000	358.89

Annexure-B

Description of the method and significant assumptions used during the year to estimate the fair value of options

Particulars	ESOS 2012			
	Tranche I	Tranche II	Tranche III	Tranche IV
Weighted-average values of share price as on grant date	650.18	650.18	650.73	650.73
Exercise Price (Rs.)	Rs. 594 – Rs. 1125.00			
Expected Volatility (%)	32.57% to 32.83%	30.04% to 30.29%	28.64% to 30.04%	28.02% to 28.48%
Expected Option life (years)	2.23 - 2.33	2.93 - 2.96	3.47 - 3.54	4.47 - 4.54
Risk free interest rate (%)	4.08% to 4.43%	4.81% to 5.14%	5.14% to 5.34%	5.40% to 5.66%
Expected dividends	Nil			
Method used and the assumptions made to incorporate the effects of expected early exercise	Black and Scholes Model			
how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The volatility is based on annualised standard deviation of the continuously compounded rates of return based on the peer companies and competitive stocks over a period of time.			
Particulars	ESOS 2017			
	Tranche I	Tranche II	Tranche III	Tranche IV
Weighted-average values of share price as on grant date	432.01	430.83	431.06	415.54
Exercise Price (Rs.)	Rs. 358.89 – Rs. 1125			

Particulars	ESOS 2012			
	Tranche I	Tranche II	Tranche III	Tranche IV
Expected Volatility (%)	32.60% to 33.45%	30.04% to 30.86 %	28.80% to 30.86%	28.02% to 29.38%
Expected Option life (years)	2.23 - 2.33	2.73 - 2.96	3.23 - 3.54	4.23 - 4.54
Risk free interest rate (%)	4.08% to 4.77%	4.76% to 5.24%	4.76% to 5.55%	5.39% to 5.70%
Expected dividends	Nil			
Method used and the assumptions made to incorporate the effects of expected early exercise	Black and Scholes Model			
how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The volatility is based on annualised standard deviation of the continuously compounded rates of return based on the peer companies and competitive stocks over a period of time.			
Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition	The following factors have been considered: a) Share price b) Exercise prices c) Historical volatility d) Expected option life e) Dividend Yield			