

Annexure – III

DISCLOSURE PURSUANT TO REGULATION 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 AS ON MARCH 31, 2025

I. As on March 31, 2025, the Company has below Employee Stock Option Schemes:

1. SBFC Stock Option Policy I 2018 (“ESOP 2018-I”)
2. SBFC Stock Option Policy 2021 – I (“ESOP 2021 – I”)
3. SBFC Stock Option Policy 2021 – II (“ESOP 2021 – II”)
4. SBFC Stock Option Policy 2021 – III – Special Grant (“ESOP 2021 – III”)
5. SBFC Stock Option Policy 2021 – IV (“ESOP 2021 – IV”)
6. SBFC Stock Option Policy 2021 - V (“ESOP 2021 – V”)
7. SBFC Stock Option Policy 2023 - I (“ESOP 2023 – I”)
8. SBFC Stock Option Policy 2023 - II (“ESOP 2023 – II”)
9. SBFC Stock Option Policy 2023 - III (“ESOP 2023 – III”)
10. SBFC Stock Option Policy 2024 – I (“ESOP 2024 – I”)– At the Annual General Meeting held on June 28, 2024, the members approved the ESOP 2024 - I, which provides for the grant of up to 50,00,000 options. The options granted under the ESOP 2024-I shall vest in accordance with the terms and conditions set forth in the said Policy. No grants have been made under the same.

A. Relevant disclosures in terms of accounting standards prescribed by Central Government as per section 133 of Companies Act, 2013 including guidance note on accounting for employee share-based payments issued in that regard.

The disclosure is provided in Note 41 to the Audited Standalone Financial Statements of the Company for the year ended March 31, 2025.

B. Diluted earnings per share pursuant to issue of shares on exercise of options calculated in accordance with IndAS 33 (Standalone)

INR 3.15 per share

C. Details related to ESOSs

[illegible]

(g)	Variation in terms of options	The Policy was amended at the Extra Ordinary General Meeting held on October 15, 2022, to ensure compliance with the requirements of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.						Amended by the shareholders at the Extra Ordinary General Meeting held on May 19, 2023, to revise the exercise price from Rs. 60/- to Rs. 55/-	Nil	Nil
2	The method used to account for ESOS - Intrinsic or 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 EPS of the Company shall also be Disclosed – NA									
4	Option movement during the year:	ESOP 2018 – I	ESOP 2021 – I	ESOP 2021 – II	ESOP 2021 – III	ESOP 2021 – IV	ESOP 2021 – V	ESOP 2023 –I	ESOP 2023-II	ESOP 2023 – III
	Number of options outstanding at the beginning of the period	54,000	1,180,000	3,518,114	2,429,625	12,760,417	8,925,000	5,040,004	20,300,000	-
	Number of options granted during the Year	-	-	-	-	-	-	-	-	4,874,000
	Number of options forfeited/ lapsed during the year	-	77,500	209,987	30,028	-	-	461,125	-	274,000
	Number of options vested during the year	9,000	984,000	1,355,250	745,445	5,359,372	3,937,500	1,276,252	-	-
	Number of options exercised during the year	54,000	997,500	1,300,580	639,181	5,008,461	3,609,375	1,686,505	-	-
	Number of shares arising as a result of exercise of options	-	-	1,300,580	639,181	5,008,461	3,609,375	1,686,505	-	-
	Money realized by exercise of options, if scheme is Implemented directly by the Company (INR)	-	-	52,023,200	25,567,240	107,431,488	144,375,000	92,757,775	-	-
	Loan repaid by the Trust during the year from exercise price received	675,000	18,952,500	-	-	-	-	-	-	-
	Number of options outstanding at the end of the year	-	105,000	2,007,547	1,760,416	7,751,956	5,315,625	2,892,374	20,300,000	4,600,000
	Number of options vested & exercisable at the end of the year	-	15,000	502,950	301,137	2,966,796	1,968,750	396,126	-	-
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	12.50	19.00	40.00	40.00	21.45	40.00	55.00	55.00	87.28

	Weighted-average fair values of options on date of grant	3.61 – 8.90	6.6	2.60 – 13.36	3.80 – 16.33	7.6	3.8	13.75 – 24.17	24.17	19.79 - 24.42
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				
	(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					Annexure- B				
	(c) identified employees who were granted an 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				
7	Description of the method and significant assumptions used during the year to estimate the fair value of options					Annexure- C				
8	Disclosure in respect of grants made in three years prior to IPO under each ESOS					The required disclosures have been provided above table and in Annexures A and B.				

Annexure-A

Details of Options to Senior Managerial Personnel

Sr. No.	Name	Designation	ESOP Scheme	Number of Options granted during the year	Exercise Price (in Rs.)
1	Mr. Jay Mistry	Company Secretary & Chief Compliance Officer (upto 7 th August, 2024)	ESOP 2023 – III	45,000	87.33
2	Ms. Namrata Sajnani	Company Secretary & Chief Compliance Officer (w.e.f. 8 th August, 2024)	ESOP 2023 – III	22,000	84.67
3	Mr. Saiprashant Menon	Chief Collections Officer	ESOP 2023 – III	200,000	87.33
4	Mr. VM Maneesh	Chief Operations Officer	ESOP 2023 – III	200,000	87.33
5	Mr. Sanket Agrawal	Chief Strategy Officer & IR	ESOP 2023 – III	200,000	87.33
6	Mr. Sumeet Raj Ghai	Chief Human Resource Officer	ESOP 2023 – III	200,000	87.33
7	Mr. Ganesh Vaidya	Chief Technology Officer	ESOP 2023 – III	200,000	87.33
8	Mr. Viney Vaid	Head- Credit	ESOP 2023 – III	185,000	87.33
9	Mr. Shanesh Jain	Head- Internal Audit	ESOP 2023 – III	68,000	87.33

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

Details for FY 2021:

All options granted under policy ESOP 2018-I have been exercised or have lapsed and there are no options outstanding as on 31st March 2025, hence the disclosure requirement is not applicable.

Details for FY 2022:

Sr. No	Name	Designation	ESOP Scheme	Number of Options granted during the year	Exercise Price
1	Mr. Aseem Dhru	Chief Executive Officer & Managing Director	ESOP 2021 IV	8,166,667	21.45
			ESOP 2021 V	4,200,000	40.00
2	Mr. Mahesh Dayani	Chief Business Officer	ESOP 2021 IV	4,083,333	21.45
			ESOP 2021 V	2,100,000	40.00
3	Mr. Pankaj Poddar	Chief Risk Officer	ESOP 2021 IV	1,020,833	21.45
			ESOP 2021 V	2,100,000	40.00
4	Mr. Deepak K Mudalgikar	Chief Technology Officer	ESOP 2021 II	312,000	40.00
			ESOP 2021 III	188,000	40.00
5	Mr. Manu Mahajan	Chief Operations Officer	ESOP 2021 II	163,000	40.00
			ESOP 2021 III	137,000	40.00
6	Mr. Narayan Barasia	Chief Financial Officer	ESOP 2021 IV	1,020,833	21.45
			ESOP 2021 V	2,100,000	40.00
7	Mr. Sai Prashant Prabhakaran Menon	Chief Collections Officer	ESOP 2021 II	249,000	40.00
			ESOP 2021 III	51,000	40.00
8	Mr. Sanket Agrawal	Chief Internal Auditor	ESOP 2021 II	243,000	40.00
			ESOP 2021 III	157,000	40.00
9	Mr. Jay Mistry	Company Secretary & Chief Compliance Officer	ESOP 2021 II	50,000	40.00

Details for FY 2023:

Sr. No	Name	Designation	ESOP Scheme	Number of Options granted during the year	Exercise Price
1	Mr. Ganesh Shamsundar Vaidya	Chief Technology Officer	ESOP 2023 I	100,000	55.00
2	Mr. Sai Prashant Prabhakaran Menon	Chief Collections Officer	ESOP 2021 II	211,000	40.00
			ESOP 2021 III	289,000	40.00
			ESOP 2023 I	260,000	55.00
3	Mr. Sanket Agrawal	Chief Strategy Officer & IR	ESOP 2021 II	110,000	40.00
			ESOP 2021 III	90,000	40.00
			ESOP 2023 I	240,000	55.00
4	Mr. Jay Mistry	Company Secretary & Chief Compliance Officer	ESOP 2023 I	30,000	55.00
5	Mr. Sumeet Raj Ghai	Chief Human Resource Officer	ESOP 2021 II	260,000	40.00
			ESOP 2021 III	90,000	40.00
			ESOP 2023 I	100,000	55.00
6	Mr. VM Maneesh	Chief Operations Officer	ESOP 2021 II	710,000	40.00
			ESOP 2021 III	90,000	40.00
			ESOP 2023 I	200,000	55.00
7	Mr. Viney Vaid	Head- Credit	ESOP 2023 I	200,000	55.00

Annexure-B

Details of any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year:

Sr. No.	Name	Designation	Number of Options granted during the year	Exercise Price (in Rs.)
1	Mr. Ashish Singh	Business Head - South and East	275,000	87.33
2	Mr. Ish Chawla	Business Head – North	275,000	87.33

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

FY 2021: Nil

FY 2022: Nil

Details for FY 2023:

Sr. No.	Name	Designation	Number of Options granted during the year	Exercise Price (in Rs.)
1	Mr. Ashish Singh	Business Head- South & East	400,000	55.00

Annexure-C

Description of the method and significant assumptions used during the year to estimate the fair value of options.
The fair value has been calculated using the Black Scholes Option Pricing model

(a) The assumptions used in the model are as follows:

Particulars	ESOP 2023 – III Rollout 1	ESOP 2023 – III Rollout 2
Expected Volatility (%)	33.29%	32.37%
Expected Maximum Option life (years)	4 years 6 months	4 years 6 months
Expected dividends	--	--
Risk-free interest rate (%)	7.27%	6.82%

Assumptions:

The above assumptions are computed based on expected option life, weighted-average values of share price, exercise price, expected volatility, expected dividends, the risk-free interest rate and any other inputs to the model for the grants made during the year.

Stock Price: Closing price on National Stock Exchange of India Ltd. ('NSE') on the date of grant has been considered.

Volatility: Volatility is the measure of the amount by which price has fluctuated or is expected to fluctuate during the period. The measure of volatility used, in Black Scholes Option pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over period of time. For calculating volatility, the daily volatility of stock prices on NSE, over a period prior to the grant date, corresponding with the expected life of the options has been considered.

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Exercise Price: Exercise Price of each specific grant has been considered.

Time to Maturity: The Company has estimated the expected life of the options on the basis of the average minimum and maximum life of the options. Historical data is not considered in expected life calculations.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.

- b) **The method used and the assumptions made to incorporate the effects of expected early exercise:** Not Applicable
- c) **How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility:** The calculation of volatility is based on the volatility in the share prices of comparable companies listed on Indian stock exchanges. The historical volatility of comparable companies over the expected life of the option has been taken into calculating the fair value.
- d) **Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition:** Nil

II. DETAILS RELATED TO TRUST

Details in connection with transactions made by the Trust meant for the purpose of administering the scheme under the regulations are as follows:

(i) General information on all schemes

S. No.	Particulars	Details
(a)	Name of the Trust	SBFC Employee Welfare Trust
(b)	Details of the Trustee(s)	Vistra ITCL (India) Private Limited
(c)	Amount of loan disbursed by company / any company in the group, during the year	Nil
(d)	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	INR 12,765,000
(e)	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
(f)	Any other contribution made to the Trust during the year	Nil

(ii) Brief details of transactions in shares by the Trust

S. No.	Particulars	Details
(a)	Number of shares held at the beginning of the year	1,866,000
(b)	Number of shares acquired during the year through (i) primary issuance	Nil
	(ii) secondary acquisition	N.A.
	Percentage of paid up equity capital as at the end of the previous financial year	N.A.
	Weighted average cost of acquisition per share	N.A.
(c)	Number of shares transferred to the employees / sold along with the purpose thereof	1,051,500
(d)	Number of shares held at the end of the year	814,500

(iii) In case of secondary acquisition of shares by the Trust - Not applicable