



CAPITALINDIA

CAPITAL INDIA FINANCE LIMITED

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DISCLOSURE UNDER REGULATION 14 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 ("SEBI SBEBSE REGULATIONS") FOR THE FINANCIAL YEAR 2021-22

- A. Disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 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 for the financial year 2021-2022.

- 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 ICAI or any other relevant accounting standards as prescribed from time to time.

INR 1.49

- C. Details related to ESOS:

Sl. No.	Particulars	Details
1.	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including:	
a)	Date of shareholders' approval	September 23, 2018
b)	Total number of options approved under ESOS	35,00,000
c)	Vesting requirements	Option granted under CIFL Employee Stock Option Plan 2018 ("ESOP 2018") shall vest not earlier than minimum period of 1 (One) year and not later than maximum period of 5 (Five) years from the date of Grant.
d)	Exercise price or pricing formula	INR 72 / INR 90
e)	Maximum term of options granted	Five Years
f)	Source of shares (primary, secondary or combination)	Primary
g)	Variation of terms of options	NIL
2.	Method used to account for ESOS - Intrinsic or fair value.	Fair Value Method
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
4.	Option movement during the year (For each ESOS):	
a)	Number of options outstanding at the beginning of the period	8,48,125



b)	Number of options granted during the year	10,47,000
c)	Number of options forfeited/lapsed during the year	5,70,625
d)	Number of options vested during the year	97,500
e)	Number of options exercised during the year	Nil
f)	Number of shares arising as a result of exercise of options	NA
g)	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	NA
h)	Loan repaid by the Trust during the year from exercise price received	NA
i)	Number of options outstanding at the end of the year	13,24,500
j)	Number of options exercisable at the end of the year	2,27,000
5.	Weighted-average exercise prices and weighted average fair values of options	INR 72 and INR 9.41 INR 90 and INR 21.94
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 as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;	Refer Annexure I
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; and	Refer Annexure I
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
7.	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	The Black-Scholes Option Pricing Model has been used for valuing employee stock options. This model requires the consideration of certain significant assumptions/variables such as volatility, risk-free rate, expected dividend yield, expected option life, market price and exercise price for calculation of fair value of options. These variables significantly influence the fair value and any change in these variables could significantly affect the fair value of options.
a)	the weighted-average values of share price	INR 9.41 and INR 21.94
b)	the weighted-average values of exercise price	INR 72 and INR 90
c)	the weighted-average values of expected volatility	22.40% to 31.03%
d)	the weighted-average values of expected option life	1 year to 4 years
e)	the weighted-average values of expected dividends	0% dividend yield, since the Company is in its early growth stage and the intention is to re-invest free cash flow into the growth of the business.



f)	the weighted-average values of the risk-free interest rate	4.34% to 5.70%
g)	The method used and the assumptions made to incorporate the effects of expected early exercise	No such cases during the year
h)	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Though the Company is a listed entity, the shares are not frequently traded on the stock exchange, hence, historical volatility has not been considered. Apart from this, there are no peers with similar nature of business activity which can be considered as peer set. Therefore, we have arrived at a volatility in the range of 22.40% to 31.03%
i)	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	The fair value of the options has been determined under the Black-Scholes model which take cares of relevant market conditions.



A. Employee wise details of options granted to the senior managerial personnel during the Financial Year 2021-22

S. No.	Name of employee	Designation	Number of options granted during the year	Exercise price of options granted (INR)
1.	Neeraj Toshniwal	Chief Finance Officer	80,000	72
2.	Ashutosh Narang	General Counsel	80,000	72
3.	Subhendu Bhanja	Chief Operations Officer	45,000	72
4.	Rachit Malhotra	Company Secretary	60,000	72
5.	Manish Gupta	Head - Information Technology	45,000	72
6.	Parvinder Singh	Business Head - Urban Infrastructure	80,000	72
7.	Ravindran Menon	CEO, RemitX	1,00,000	72
8.	Ashish Arya	Chief Credit Officer	50,000	72
9.	Chetan Bafna	Chief Business Officer	1,00,000	72
10.	Shraddha Kamat	Head - Human Resources	30,000	72

B. Employee wise details of options granted to any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year (FY 2021-22)

S. No.	Name of employee	Designation	Number of options granted during the year	Exercise price of options granted (INR)
1.	Nipun Jain	Whole Time Director & CEO, Rapipay	3,00,000	72