



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 2023-24

- 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 2023-24.

- 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 2.55

- C. Details related to ESOS:

Sl. No.	Particulars	Details	
		CIFL Employee Stock Option Plan 2018 (“ESOP 2018”)	CIFL Employee Stock Option Plan 2023 (“ESOP 2023”)
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	December 09, 2023
b)	Total number of options approved under ESOS	35,00,000	40,00,000
c)	Vesting requirements	Option granted under the 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.	Option granted under the ESOP 2023 shall vest not earlier than minimum period of 1 (One) year and not later than maximum period of 4 (Four) years from the date of Grant.
d)	Exercise price or pricing formula	INR 72 / INR 90 / INR 92	INR 92
e)	Maximum term of options granted	Five Years	
f)	Source of shares (primary, secondary or combination)	Primary	
g)	Variation of terms of options	NIL	
1.	Method used to account for ESOS - Intrinsic or fair value.	Fair Value Method	
2.	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	NA	



	company shall also be disclosed.		
3.	Option movement during the year (For each ESOS):		
a)	Number of options outstanding at the beginning of the period	11,89,500	NIL
b)	Number of options granted during the year	16,54,700	23,32,100
c)	Number of options forfeited/lapsed during the year	1,07,000	NIL
d)	Number of options vested during the year	4,16,250	NIL
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	27,37,200	23,32,100
j)	Number of options exercisable at the end of the year	5,38,750	NIL
4.	Weighted-average exercise prices and weighted average fair values of options	INR 72 and INR 92.36 INR 90 and INR 92.36 INR 92 and INR 95.02	INR 92 and INR 95.02
5.	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		
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.		
6.	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 92.36, INR 92.36 and INR 95.02	INR 95.02
b)	the weighted-average values of exercise price	INR 72, INR 90 and INR 92	INR 92
c)	the weighted-average values of expected volatility	12.01% to 27.12%	12.01% to 24.88%
d)	the weighted-average values of expected	1 year to 4 years	1 year to 5 years



	option life		
e)	the weighted-average values of expected dividends	0.13% dividend yield	
f)	the weighted-average values of the risk-free interest rate	6.55% to 6.97%	6.83% to 6.92%
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	The Company has considered historical volatility over the expected life of options vesting in every year as per the grant letters. The Company relied on the Volatility in the index of Sensex Financial Services over the life of the Options, as the index is broader based and reflects more accurately the Volatility associated with a larger spectrum of Companies in similar business domain. Therefore, we have arrived at a volatility in the range of 12.01% to 27.12%.	The Company has considered historical volatility over the expected life of options vesting in every year as per the grant letters. The Company relied on the Volatility in the index of Sensex Financial Services over the life of the Options, as the index is broader based and reflects more accurately the Volatility associated with a larger spectrum of Companies in similar business domain. Therefore, we have arrived at a volatility in the range of 12.01% to 24.88%.
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 2023-24

- **ESOP 2018**

S. No.	Name of employee	Designation	Number of options granted during the year	Exercise price of options granted (INR)
1.	Pinank Shah	Chief Executive Officer	15,54,700	92
2.	Hemant Lala	Head – Sales	1,00,000	92

- **ESOP 2023**

S. No.	Name of employee	Designation	Number of options granted during the year	Exercise price of options granted (INR)
1.	Pinank Shah	Chief Executive Officer	23,32,100	92

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 2023-24)

- **ESOP 2018**

S. No.	Name of employee	Designation	Number of options granted during the year	Exercise price of options granted (INR)
1.	Pinank Shah	Chief Executive Officer	15,54,700	92

- **ESOP 2023**

S. No.	Name of employee	Designation	Number of options granted during the year	Exercise price of options granted (INR)
1.	Pinank Shah	Chief Executive Officer	23,32,100	92

C. Employee wise details of options granted to 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 (FY 2023-24)

- **ESOP 2018**

S. No.	Name of employee	Designation	Number of options granted during the year	Exercise price of options granted (INR)
1.	Pinank Shah	Chief Executive Officer	15,54,700	92

- **ESOP 2023**

S. No.	Name of employee	Designation	Number of options granted during the year	Exercise price of options granted (INR)
1.	Pinank Shah	Chief Executive Officer	23,32,100	92