



VEEFIN SOLUTIONS LIMITED

(Formerly known as Veefin Solutions Pvt Ltd)

Regd. Office: Off No - 601, 602 & 603, Neelkanth Corporate IT Park,
Vidyavihar (W), Mumbai 400086.

Email id: investors@veefin.com , CIN: U72900MH2020PLC347893

Disclosure pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI ESOP Regulations, 2021”) – For Financial Year 2023-2024

- A. 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 share-based payments' issued by ICAI has been made in Note no. 31 of the Notes to Standalone Financial Statements and Note no. 31 of the Notes to Consolidated Financial Statements forming part of the Annual Report 2023-2024 of the Company.
- 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 has been disclosed in the Standalone Financial Statements for FY 2023-24.

C. Details related to ESOP

- (i) The description of the existing schemes are summarized as under: -

Sr. No.	Particulars	Veefin – Employee Stock Option Plan 2023	Veefin – Employee Stock Option Plan 2022
1	Date of shareholders' approval	Shareholders approval – 15 th May, 2023 Shareholders ratification - 29 th September, 2023	Shareholders approval – 15 th April, 2022 Shareholders ratification - 29 th September, 2023
2	Total number of options approved under ESOP	25,00,000	600
3	Vesting requirements	The Options granted shall vest so long as the Employee continues to be in the employment/ service of the Company or its group company including subsidiary,	The Options granted shall vest so long as the Employee continues to be in the employment/ service of the Company or its group company

		<p>or holding company, as the case may be, as per SEBI SBEB Regulations except in case of death, permanent incapacity and retirement.</p> <p>The Vesting Period of an Option may vary from twelve (12) months to seventy-two (72) months from the Grant Date.</p> <p>Subject to the minimum and maximum Vesting Period of an Option referred above, the Administrator shall have the sole discretion to decide upon the Vesting Period, the Vesting Schedule and the Vesting Conditions.</p>	<p>including subsidiary, or holding company, as the case may be, as per SEBI SBEB Regulations except in case of death, permanent incapacity and retirement.</p> <p>The Vesting Period of an Option may vary from twelve (12) months to seventy-two (72) months from the Grant Date.</p> <p>Subject to the minimum and maximum Vesting Period of an Option referred above, the Administrator shall have the sole discretion to decide upon the Vesting Period, the Vesting Schedule and the Vesting Conditions.</p>
4	Exercise price or pricing formula	The Exercise Price shall be as determined by the Administrator at the time of Grant of Options provided that the Exercise Price shall not be less than the face value of the ESOP Shares.	The Exercise Price shall be as determined by the Administrator at the time of Grant of Options provided that the Exercise Price shall not be less than the face value of the ESOP Shares.
5	Maximum term of options granted	<p>Vested options can be exercised any time during the employment with the Company / Holding Company / Subsidiary Company.</p> <p>In case of separation, such vested options can be exercised within 60 days from such separation.</p>	<p>Vested options can be exercised any time during the employment with the Company / Holding Company / Subsidiary Company.</p> <p>In case of separation, such vested options can be exercised within 60 days from such separation.</p>
6	Source of shares (primary, secondary or combination)	Primary	Primary

7	Variation in terms of options	There is no variation in terms of options. However, As per the provision of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 (“SEBI SBEB Regulations”), pre-IPO scheme is required to be aligned as per the SEBI SBEB Regulations and ratified by the Shareholders in order to make fresh grant under such scheme. Therefore, the shareholders at the 3 rd Annual General Meeting ratified and amended the ESOP 2023 with a view to align and comply with the requirements of the SEBI SBEB Regulations along with to bring flexibility provided under the SEBI SBEB Regulations.	There is no variation in terms of options. However, As per the provision of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 (“SEBI SBEB Regulations”), pre-IPO scheme is required to be aligned as per the SEBI SBEB Regulations and ratified by the Shareholders in order to make fresh grant under such scheme. Therefore, the shareholders at the 3 rd Annual General Meeting ratified and amended the ESOP 2022 with a view to align and comply with the requirements of the SEBI SBEB Regulations along with to bring flexibility provided under the SEBI SBEB Regulations.
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(ii) Method used to account for ESOP - Fair value

(iii) 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.: N.A.

(iv) Option movement during the year (For each ESOP):

Particulars	Veefin – Employee Stock Option Plan 2023	Veefin – Employee Stock Option Plan 2022
Number of options outstanding at the beginning of the period	0	589

Number of options granted during the year	18,44,536	0
Number of options forfeited / lapsed during the year	0	0
Number of options vested during the year	0	323
Number of options exercised during the year	0	0
Number of shares arising as a result of exercise of options	0	0
Money realized by exercise of options (INR), if scheme is implemented directly by the company	0	0
Loan repaid by the Trust during the year from exercise price received	0	0
Number of options outstanding at the end of the year	18,44,536	589
Number of options exercisable at the end of the year	0	323

- (v) 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.
- (vi) All options granted at exercise price of INR 10.00/-
- (vii) 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;

Sr. No.	Name Of Employee	Designation	Number Of Options Granted During The Year		Exercise Price
			Veefin ESOP Scheme 2023	Veefin ESOP Scheme 2022	
1.	Mr. Sagar Ramesh Mahajan	Chief Delivery Officer	39,780	0	10
2.	Mr. Minesh Chopra	Engineering Head	4,500	0	10
3.	Mr. Chintan Lad	Product Head	41,200	0	10
4.	Mr. Jigar Shah	Chief Product Officer	0	0	10
5.	Ms. Binny Shah	Product Head	13,829	0	10

6.	Mr. Ketan Zaveri	Chief Technology Officer	2,11,500	0	10
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- (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
- (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
- (viii) A description of the method and significant assumptions used during the year to estimate the fair value of options.

The Company has measured the fair values of the services received/to be received as consideration for options granted indirectly, by reference to the fair value of such options. The weighted average fair values of the options granted during the year and relevant disclosures in relation to are as under in “Veefin – Employee Stock Option Plan 2023”:

Particulars	ESOP Grant in FY 2023-24
(a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	
weighted-average values of share price	INR 207.67 (INR 196 to 368)
exercise price	INR 10.00
expected volatility	50%
expected option life	1 to 4 years
expected dividends	0%
the risk-free interest rate	7.16% - 7.49%
any other input to the model	NA
(b) the method used and the assumptions made to incorporate the effects of expected early exercise;	We have assumed that the option grantees can exercise their right to exercise option immediately after vesting as options granted at face value.
(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the comparable listed companies (considering company is a newly listed company) equity shares during a period equivalent to the

	expected term of the options.
(d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.	Not applicable as market performance condition

D. **Details related to ESPS:** Not applicable

E. **Details related to SAR:** Not applicable

F. **Details related to GEBS / RBS:** Not applicable

G. **Details related to Trust:** Not applicable

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

Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made. – Disclosure made above