

ESOP disclosures for the Financial Year 2023-24 pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on March 31, 2024

Sr. No.	Particulars	Status of compliance
A.	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 this regard from time to time.	Details are covered under Point F of Schedule 17 - Notes to Accounts of the financial statements in the Bank's Annual Report 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 Central Government or any other relevant accounting standards as issued from time to time.	Rs. 22.86 per share including exceptional item and Rs. 23.71 per share excluding exceptional item.
C.	Details related to ESOS	
i.	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 (b) Total number of options approved under ESOS (c) Vesting requirements (d) Exercise price or pricing formula (e) Maximum term of options granted (f) Source of shares (primary, secondary or combination) (g) Variation in terms of options	Details are covered under Point K. "Employee Stock Option Schemes" of the Board Report in the Bank's Annual Report 2023-24.
ii.	Method used to account for ESOS - Intrinsic or fair value	The Bank adopts the intrinsic value method to account for the stock options grants to the employees. Further, the Bank calculates the fair value of options at the time of grant using Black- Scholes pricing model for Whole-Time Directors, Chief Executive Officers/Material Risk Takers and Control Function staff as per RBI guidelines dated November 4, 2019.
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.	Details are covered under Point No. 26 of "Accounting for employee share based payments" of Schedule 18 - Notes to Accounts of the financial statements in the Bank's Annual Report 2023-24.
iv.	Option movement during the year (For each ESOS) Particulars 1. Number of options outstanding at the beginning of the period 2. Number of options granted during the year 3. Number of options forfeited / lapsed during the year 4. Number of options vested during the year 5. Number of options exercised during the year	Details are covered under Point K. "Employee Stock Option Schemes" of the Board Report in the Bank's Annual Report 2023-24.

Registered Office

AU SMALL FINANCE BANK LIMITED
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Jaipur - 302001, Rajasthan, India
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Sr. No.	Particulars	Status of compliance
	6. Number of shares arising as a result of exercise of options 7. Money realized by exercise of options (INR), if scheme is implemented directly by the company 8. Loan repaid by the Trust during the year from exercise price received 9. Number of options outstanding at the end of the year 10. Number of options exercisable at the end of the year	
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.	Details are covered under Point K. "Employee Stock Option Schemes" of the Board Report in the Bank's Annual Report 2023-24.
vi.	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to – <ol style="list-style-type: none"> Senior Managerial Personnel as defined under reg. 16(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. 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 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. 	a. Details of senior managerial personnel are given in "Annexure-A" Details mentioned in point No. b. & c. are covered under Point K. "Employee Stock Option Schemes" of the Board Report in the Bank's Annual Report 2023-24.
vii.	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	
(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;	Details are covered under Point No. 26 of "Accounting for employee share based payments" of Schedule 18 - Notes to Accounts of the financial statements in the Bank's Annual Report 2023-24.
(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; and	Volatility is a measure of the amount by which a price is expected to fluctuate during a period based on the historic data. The Bank got listed on stock exchange in July 2017. Share price of the Bank from the listing day to one day prior to date of grant is considered for determining the volatility.
(d)	whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	The expected life of share option is based on historical data. Vesting and exercise period has been considered while calculating the life of the Option Future market conditions are not used for measurement of fair value.

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Sr. No.	Particulars	Status of compliance
	Disclosures in respect of grants made in three years prior to IPO under each ESOS (i) 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.	There were only four grants made by the Nomination and Remuneration Committee prior to the Initial Public Offer (IPO) of the Bank and the disclosure in respect of such options have been included hereinabove.
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
(i) General information on all schemes		
S. No.	Particulars	Status of Compliance
1.	Name of the Trust	NA
2.	Details of the Trustee(s)	NA
3.	Amount of loan disbursed by company / any company in the group, during the year	NA
4.	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	NA
5.	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	NA
6.	Any other contribution made to the Trust during the year	NA
(ii) Brief details of transactions in shares by the Trust		
(a) Number of shares held at the beginning of the year;		Not Applicable
(b) Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share;		
(c) Number of shares transferred to the employees / sold along with the purpose thereof;		
(d) Number of shares held at the end of the year.		
(iii) In case of secondary acquisition of shares by the Trust		
Number of shares		Not Applicable
Held at the beginning of the year		
Acquired during the year		
Sold during the year		
Transferred to the employees during the year		
Held at the end of the year		

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Annexure-A

**Details of stock options granted to Senior Managerial Personnels (SMPs)
during the financial year ended on March 31, 2024**

Sr. No.	Employee Name	Designations	ESOP 2015 Plan B*	ESOP 2018#	ESOP 2020#	ESOP 2023#	Grand Total
1.	Mr. Uttam Tibrewal	Whole Time Director (Currently, designated as Whole Time Director & Deputy CEO)				Refer^	
2.	Mr. Deepak Jain	Chief Risk Officer		32,363			32,363
3.	Mr. Rishi Dhariwal	Group Head Liability (Currently, designated as Business Strategy Officer -MD Office)		30,546			30,546
4.	Mr. Manoj Tibrewal	Head of Customer Experience		20,990			20,990
5.	Mr. Vimal Jain	Chief Financial Officer			18,817		18,817
6.	Mr. Yogesh Jain	Chief Operating Officer	15,000			25,991	40,991
7.	Mr. Ankur Tripathi	Chief Information Officer	15,000			19,391	34,391
8.	Mr. Vivek Tripathi	Head of Commercial Banking	15,000			22,352	37,352
9.	Mr. Mayank Markanday	Head of Digital Bank AU0101	25,000			22,352	47,352
10.	Mr. Bhaskar Karkera	Head of Retail Assets		28,832			28,832
11.	Mr. Vivek Tripathi	Head of Human Resources	15,000			17,616	32,616
12.	Mr. Amar Bahl@	Head of MBL			15,627		15,627
13.	Mr. Vinay Vaish	Head of Internal Audit			14,701		14,701
14.	Mr. Ashok k. Khandelwal	Chief Compliance Officer			14,736		14,736
15.	Mr. Shoorveer Singh Shekhawat	Head of Marketing, Video Banking & TFX Initiatives (Currently, designated as Head of Urban & Swadesh Banking, Govt Business & Wholesale Deposits)	5,000			19,624	24,624
16.	Mr. Shantanu Prasad@	Head of Treasury			20,279		20,279
17.	Mr. Amit Mathur	Head of Credit - Commercial Banking			13,653		13,653
18.	Mr. Vaman Ramesh Kamat	Head of Credit - Retail			14,318		14,318
19.	Mr. Manmohan Parnami	Company Secretary			11,668		11,668
20.	Mr. Aalekh Vijayvargiya@	National Risk Manager - Unsecured loans			14,862		14,862
21.	Mr. Farhan Ahmed	Chief Vigilance Officer			9,201		9,201

Note:

*Exercise price Rs. 16.69.

#Exercise price Rs. 681.00.

^Variable Pay (Performance bonus) of Mr. Uttam Tibrewal, WTD in the form of ESOPs amounting to Rs. 1.21 crore has been approved by RBI on January 17, 2024 for FY 2022-23, in respect of which 38,387 ESOPs have been granted under ESOP 2023 at an exercise price of Rs. 642 by the Nomination & Remuneration Committee of the Bank.

@Mr. Amar Bahl, Head of Micro Business Loan, Mr. Aalekh Vijayvargiya, National Credit Manager Micro Business Loan and Mr. Shantanu Prasad, Head of Treasury were re-categorized from SMP to non-SMP on December 27, 2023.

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