

May 31, 2022

The Secretary National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Mumbai - 400051	The Secretary BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001
Symbol : EQUITASBNK	Scrip Code : 543243

Dear Sirs,

Sub: Intimation under Regulation 30 of SEBI (LODR) Regulations, 2015

Pursuant to the authority granted by the Shareholders vide Resolution passed at the EGM held on November 22, 2019, the Nomination & Remuneration Committee (NRC) of the Board of Directors vide its resolution passed on May 30, 2022 has approved grant of 1,78,01,703 (One Crore Seventy Eight Lakhs One Thousand Seven Hundred and Three only) stock options to 2,405 Eligible Employees at an exercise price of ₹ 43.60/- (Rupees Forty three rupees and sixty paise only) per share (based on closing price of shares of the Bank on NSE as on May 30, 2022 - ₹ 43.60) on the following terms:

No of options	1,78,01,703												
Vesting Period & Criteria	i. One year vesting period for 1,09,59,260 options from the date of approval of grant i.e May 30,2022. <u>Vesting Criteria</u> : Continuance of Services												
	ii. Vesting over the next 2 (Two) years from the date of approval of grant as below for 45,33,410 options.												
	<table border="1"> <thead> <tr> <th>At the end of</th> <th>Options vesting</th> <th>Number of Options</th> </tr> </thead> <tbody> <tr> <td>Year 1</td> <td align="center">60%</td> <td align="right">27,20,046</td> </tr> <tr> <td>Year 2</td> <td align="center">40%</td> <td align="right">18,13,364</td> </tr> <tr> <td>Total</td> <td align="center">100%</td> <td align="right">45,33,410</td> </tr> </tbody> </table>	At the end of	Options vesting	Number of Options	Year 1	60%	27,20,046	Year 2	40%	18,13,364	Total	100%	45,33,410
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Year 1	60%	27,20,046											
Year 2	40%	18,13,364											
Total	100%	45,33,410											
<u>Vesting Criteria</u> - 50% of the total options shall vest based on the incumbent being part of the Bank and the rest based on performance ratings													
Vesting Period & Criteria	iii. Vesting over the next 3 (three) years from the date of approval of grant as below for 23,09,033* options.												
	<table border="1"> <thead> <tr> <th>At the end of</th> <th>Number of Options</th> </tr> </thead> <tbody> <tr> <td>Year 1</td> <td align="right">8,86,962</td> </tr> <tr> <td>Year 2</td> <td align="right">7,52,861</td> </tr> <tr> <td>Year 3</td> <td align="right">6,69,210</td> </tr> <tr> <td>Total</td> <td align="right">23,09,033</td> </tr> </tbody> </table>	At the end of	Number of Options	Year 1	8,86,962	Year 2	7,52,861	Year 3	6,69,210	Total	23,09,033		
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	Year 1	8,86,962											
	Year 2	7,52,861											
Year 3	6,69,210												
Total	23,09,033												
<i>*grant of 18,50,591 options are conditional subject to approval of RBI.</i>													

	<u>Vesting Criteria-</u> Based on performance as assessed by NRC for the performance period – FY 2022-23 and adjusted for <i>malus</i> and clawback clauses if applicable
Exercise period	Within three years from the date of vesting

The grant shall be governed by the terms and conditions of ESFB Employees Stock Option Scheme, 2019. The Scheme is in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.


It is reiterated, that the grant of 18,50,591 options is conditional in nature, i.e., subject to approval of RBI and would be subject to modification to accommodate the grant size approved by RBI, as and when the approval is received and the value and number of options granted would be proportionally adjusted.

The shares arising out of these grants would rank pari-passu with existing equity shares in every respect including dividend.

We request you kindly to take the above on record.

Thanking you,

Yours faithfully,
For Equitas Small Finance Bank Limited


Sampathkumar K R
Company Secretary

