



**DISCLOSURES PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA  
(SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021  
(‘SBEB REGULATIONS’)**

**FAZE THREE EMPLOYEE STOCK OPTION SCHEME 2024**

The Company has adopted and implemented **Faze Three Employee Stock Option Scheme 2024** (*‘the Scheme’*) which has been approved by the Shareholders of the Company at their 39<sup>th</sup> Annual General Meeting held on September 27, 2024 to grant Stock Options to the eligible employees.

The primary objective of the Scheme is to reward the employees for their association, dedication and contribution to the goals of the Company. The Company intends to use this Scheme to attract and retain the key talent by rewarding their performance and motivating them to contribute to the overall corporate growth and profitability. The Company views the employee stock option scheme as a long-term incentive tool that would assist in aligning employees’ interest with that of the shareholders and enable the employees not only to become co-owners, but also to create wealth out of such ownership in future.

The Nomination and Remuneration Committee (*‘NRC’*) is designated as the Compensation Committee to administer and supervise the Scheme. Under the Scheme, the Company would grant upto 10,94,355 (Ten Lakhs Ninety Four Thousand Three Hundred and Fifty Five) Employee Stock Options, in one or more tranches, to such eligible employees as may be determined by the NRC in terms of the Scheme, that would entitle the grantees (in aggregate) to subscribe upto 10,94,355 (Ten Lakhs Ninety Four Thousand Three Hundred and Fifty Five) fully paid up equity shares of ₹10 (Rupee Ten only) each (4.5% of paid-up equity share capital of the Company as on March 31, 2024).

The Scheme shall be implemented through Faze Three Employee Trust (*‘Trust’*) where the shares may be either directly issued to the Trust by the Company or may be acquired by the Trust from Secondary Market (Secondary Acquisition) or such other modes as permissible under the SBEB Regulations and other applicable laws from time to time.

**The disclosures pursuant to Regulation 14 of the SBEB Regulations for the Scheme are as follows:**

- A. Relevant 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.**

Not applicable since the Company has not granted any Stock Options as on March 31, 2025

**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.**

The disclosures are provided in the Note No. 33 of the notes to Standalone Financial Statements and Note No. 34 of the notes to Consolidated Financial Statements of the Company for the FY ended March 31, 2025.

**C. Details related to ESOS-**

**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 brief description of the Scheme adopted by the Company and in place in FY 2024-25 is given above. Further, the general terms and conditions of the Scheme are provided below:

Particulars	Details
<b>Date of shareholders' approval</b>	September 27, 2024
<b>Total number of options approved under ESOS</b>	10,94,355 (Ten Lakhs Ninety-Four Thousand Three Hundred and Fifty-Five) Employee Stock Options
<b>Vesting requirements</b>	<p>Minimum vesting period of 1 (one) year from the date of Grant. Subject to this statutory minimum period, any staggered Vesting prescribed for any Grant shall be over a Vesting schedule of minimum of 1 (One) year and maximum of 10 (Ten) years from the date of Grant.</p> <p>The NRC may, at its sole decision, decide the proportion of Options which shall vest each year during the Vesting schedule which may be different for different Employees or any class thereof.</p>
<b>Exercise price or pricing formula</b>	The Exercise Price of the Shares will be decided by the NRC subject to minimum of Face Value i.e. ₹ 10 per Share.
<b>Maximum term of options granted</b>	<p>The exercise period in respect of the vested Options shall be determined by the NRC subject to a maximum period of 10 (Ten) years from the date of respective vesting of such option.</p> <p>The Exercise schedule may be different for different Employees or any class thereof.</p>
<b>Source of shares (primary, secondary or combination)</b>	The Scheme involves both new issue of shares by the Company and Secondary Acquisition of shares of the Company by the Trust.
<b>Variation in terms of options</b>	None

**2. Method used to account for ESOS: Intrinsic or fair value.**

Not applicable since the Company has not granted any Stock Options as on the date of the Board's Report

**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.**

Not applicable

**4. Option movement during the year (For each ESOS):**

Particulars	Details
Number of options outstanding at the beginning of the period	Nil
Number of options granted during the year	Nil
Number of options forfeited/lapsed during the year	NA
Number of options vested during the year	NA
Number of options exercised during the year	NA
Number of shares arising as a result of exercise of options	NA
Money realized by exercise of options (INR), if scheme is implemented directly by the company	-
Loan repaid by the Trust during the year from exercise price received	NA
Number of options outstanding at the end of the year	NA
Number of options exercisable at the end of the year	NA

**5. 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.**

Not Applicable

**6. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to:**

Particulars	Details
Senior Managerial Personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	None
Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	None
Identified employees who were granted option, during any one year, equal to or exceeding 1 % of the issued capital	Under the Scheme, the maximum number of options to be issued to any identified employee shall not

(excluding outstanding warrants and conversions) of the company at the time of grant	exceed 1% of the issued equity shares of the Company as on the date of grant.
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7. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

Particulars		Details
Significant assumptions	Weighted average share price	NA
	Exercise price	NA
	Expected volatility	NA
	Expected option life	NA
	Expected dividends	NA
	Risk-free interest rate	NA
	Any other inputs to the model	NA
The method used and the assumptions made to incorporate the effects of expected early exercise		NA
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility		NA
Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition		NA

8. 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)

Not applicable

**D. Details related to Trust-**

The following details, inter alia, in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are to be disclosed:

**1. General information**

Particulars	Details
Name of the Trust	Faze Three Employee Trust
Details of the Trustee(s)	i. Ms. Shagufta Sadikot ii. Mr. Jitendra Ajarekar
Amount of loan disbursed by company/ any company in the group, during the year	Rs. 100.10 Lakh

Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	Rs. 100.10 Lakh
Amount of loan, if any, taken from any other source for which company/any company in the group has provided any security or guarantee	Nil
Any other contribution made to the Trust during the year	Nil

## 2. Brief details of transactions in shares by the Trust

Particulars	Details
Number of shares held at the beginning of the year	Nil
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 (WACOA) per share	i. Primary acquisition- Nil ii. Secondary acquisition- 28,116 shares (0.12%) at WACOA of Rs. 354.78/- per share
Number of shares transferred to the employees / sold along with the purpose thereof	Nil
Number of shares held at the end of the year	28,116

## 3. In case of secondary acquisition of shares by the Trust

Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
Held at the beginning of the year	Nil
Acquired during the year	28,116
Sold during the year	Nil
Transferred to the employees during the year	Nil
Held at the end of the year	28,116