

Disclosure pursuant to Regulation 14 of SEBI (Share Based Employee Benefits And Sweat Equity) Regulations, 2021, for the financial year ended 31st March, 2025.

The Dreamfolks Employee Stock Option Plan 2021 (“Plan”), approved by the shareholders dated 29th September 2021, is in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time [SEBI (SBEB & SE) Regulations] and there have been no material changes in the Plan of the Company during the fiscal year. Further, the following details, inter alia, have been disclosed on the company’s website and a web link thereto has also been provided in the report of the board of directors.

- 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 by ICAI or any other relevant accounting standards as prescribed from time to time. Members may refer to the audited financial statement note no. 40 prepared as per Indian Accounting Standard (Ind- AS) for the year 2024-25.
- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the SEBI (SBEB & SE) Regulations shall be disclosed in accordance with ‘IND AS -33 Earnings Per Share’ issued by Central Government or any other relevant accounting standards as prescribed from time to time. Diluted EPS for the year ended 31st March, 2025 is INR 13 (rounded up) calculated in accordance with Ind-AS 33 (Earnings per Share).
- C. Details related to Employees’ Stock option of the Company for the year ended 31st March, 2025:

I) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including –

S No.	Particulars	Dreamfolks Employee Stock Option Plan 2021
I)		
a)	Date of shareholders’ approval	29 th September, 2021
b)	Total number of options approved under Dreamfolks Employee stock Option Plan 2021	52,25,000
c)	Vesting requirements	On continued employment with the Company and achievement of performance parameters, vesting period shall commence after 1 year from the date of grant of options and it may extend up to 7.5 years from the date of grant or as prescribed by the Nomination and Remuneration Committee at the time of granting the options.

d)	Exercise price or pricing formula	Please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2025.
e)	Maximum term of options Granted	7.5 years
f)	Source of shares (primary, secondary or combination)	Primary
g)	Variation in terms of options	During FY 2024-25, there was no variation in terms of Options
II)	Method used to account for ESOP	The fair value of option is measured by using Black Scholes Valuation Model. For further details, please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2025
III)		
a)	Difference between the employee compensation cost computed as per intrinsic value method and the employee compensation cost as per the fair value of the options	This clause is not applicable since company has used fair value method to accounts for ESOPS
b)	The impact of this difference on profits and on EPS of the Company	This clause is not applicable since company has used fair value method to accounts for ESOPS
IV)	Option movement during the year - Employee Stock Option Plan 2021	
	Particular	ESOP – 2021
	Number of options outstanding at the beginning of the period	21,23,338
	Number of options granted during the year	

	Number of options forfeited / lapsed during the year	9,23,713
	Number of options vested during the year	4,13,800
	Number of options exercised during the year	2,43,950
	Number of shares arising as a result of exercise of options	2,43,950
	Money realized by exercise of options (INR)	INR 23531419
	Loan repaid by the Trust during the year from exercise price received	Nil
	Number of options outstanding as on 31st March 2025	9,55,675
	Number of options exercisable as on 31st March 2025	5,25,150
V)	Weighted-average exercise prices and weighted-average fair values of options	Please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2025.
VI)	Options granted during the year	
a)	Senior managerial personnel:	Nil
b)	identified employees who were granted option, during any	Nil

	one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	
VII)	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	Please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2025.
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;	Please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2025.
b)	the method used and the assumptions made to incorporate the effects of expected early exercise	Please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2025.
c)	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2025.

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
e)	Disclosures in respect of grants made in three years prior to IPO under each ESOP	23,51,250 Options were granted Pre-IPO at a predetermined price of Rs. 96.46