

**SBI PAYMENT SERVICES PVT LTD.**  
(A Joint Venture between SBI & Hitachi Payment Services)

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(W), Mumbai 400013

**Request for Quotation for Engagement of ESOP Service Provider**

**RFQ No. SBIP/VM/25-26/04**

**Dated: 07.05.2025.**

**SBI Payment Service Private Limited** (hereinafter referred to as “**SBI PAYMENTS**”) is a Joint Venture between SBI & Hitachi Payment Services, established with the objective of carrying out Merchant Acquiring Business activities. This Request for quotation has been issued by SBI PAYMENTS for “**Engagement of a Service Provider to manage end to end ESOP program for the organization.**”

**Scope of Services:**

**1. ESOP Structuring:**

Sr. No	Particular	Steps
1	Policy Development and Approval.	Define Eligibility
		Set Vesting Period
		Determine Exercise Price
		Draft the ESOP Policy
		Obtain Approval
2	Communication and Education.	Employee Communication
		Training and Support
		Address Queries
3	Implementation and Management	Option Granting
		Share Allocation
		Share Issuance
		Vesting and Exercise
		Compliance
		Record Keeping
4	Ongoing Management and Review	Reporting
		Policy Updates
		Communication and Engagement
		Performance Monitoring

## 2. Designing

Sr. No.	Scope of Work
1.	<b>Setting the Pool Size</b> <ul style="list-style-type: none"> <li>Understanding business plan for next 3 to 5 years and projecting the current valuation / share price of Company based on management input, past share price trends and market benchmarking of similar companies.</li> <li>Setting the minimum / maximum employee wealth creation budgets, CTC coverage budgets and corresponding shareholder dilution under different share price projection scenarios.</li> <li>Determining acceptable range of shareholder dilution basis management input on the projected results.</li> </ul>
2.	<b>Defining Grant Framework</b> <ul style="list-style-type: none"> <li>Setting Eligibility Criteria basis, the budgets are set in Step 2 above. This shall include working through with the current employees and future higher at critical roles across various bands.</li> <li>Determining Number of ESOPs to be granted at individual employee level vis-à-vis the potential wealth creation under different business plan scenarios.</li> <li>This shall involve setting objective wealth creation rules for each band and back solving the individual employee level figures under different scenarios.</li> <li>Evaluating ESOP grant strategy, i.e., One big grant or Annual recurring grant, depending on the objective of the grant and company's growth trajectory.</li> </ul>
3.	<b>Setting Terms of Grant</b> <ul style="list-style-type: none"> <li>Setting employee level Vesting criteria factoring the need to drive better retention (where applicable) whilst also factoring performance linkages for key employees in the chosen set.</li> <li>Setting the exercise price for ESOPs considering the projected future growth of the Company and assessing impact of different exercise price scenarios from a shareholder dilution and employee perspective.</li> </ul>



4.	<p><b>Optimizing Income statement Cost vs. Wealth Creation</b></p> <ul style="list-style-type: none"> <li>· Determining expected ESOPs related charge to Income statement over the next 5-year period under different employee eligibility / exercise price or strike price / wealth creation scenarios.</li> <li>· The charge shall be determined using the Black-Scholes Method or Intrinsic Value Method as may be applicable to the Company.</li> <li>· If required, we will assist in discussing and agreeing the income statement charge approach with the auditors of the Company.</li> <li>· We will present results under different scenarios from a shareholder, employee and Company perspective to aid in management decision making.</li> </ul>
5.	<p><b>Critical Non-Financial Aspects</b></p> <ul style="list-style-type: none"> <li>• Treatment of vested options of ex-employees including distinguishing between bad leavers and good leavers, sharing the emerging trends and market best practices in this area and assisting the Company in adopting rules which reduce administrative burden for the Company whilst offering adequate protection to employees.</li> <li>• Exercise / Liquidity Event Rules including assessing potential exit routes envisaged by Company, giving Board flexibility to define rules based on exact terms of deals and assisting in choosing rules which minimize cash-flow strain for Employees.</li> <li>• Expiry period and related conditions;</li> <li>• Undertaking 'what-if' analysis with the management to ensure the scheme is robust to cater to any emerging risk or opportunity for the business and gives the Board the right level of flexibility to deal with different scenarios.</li> </ul>
6.	<p><b>Board Presentation for Design 'go-ahead'</b></p> <ul style="list-style-type: none"> <li>· Preparing board deck explaining the scheme contours and impact on all stakeholders i.e. shareholders, employees and the Company.</li> <li>· Incorporating feedback from the Board and revising the design framework to the extend required.</li> </ul>



### 3. Implementation

Sr. No.	Scope of Work
1.	Review of current Articles of Association, Shareholders' Agreement for compatibility with proposed ESOP. Drafting amendments to Articles of Association (if required) to include ESOP provisions. Legal Documentation enabling resolution of Board/Shareholder/Compensation Committee.
2.	Drafting of ESOP plan/scheme as per the agreed framework during designing phase and in compliance with Companies Act 2013.
3.	Employee Communication including preparation of Grant letters, FAQ, Agreements, handling of communication / awareness sessions for employees.
4.	Advice on the latest legal rules on ESOP and suggest suitable procedures in the best interest of the Company and employees.
5.	Complete the whole process of issue of ESOP and all procedures connected therewith.

#### Right to impose Penalty

In case of any breach of compliances/ Scope of work during the contract period, SBI Payments reserves the right to initiate the actions with regards to penalty as per standard clause

#### Eligibility Criteria:

- The service provider should have at least 5 to 10 years of experience in providing services related to ESOP.
- The vendor Should be authorised to carry out the services defined in the scope of services.
- The vendor should have a valid PAN, GST registration and required to submit complete details of his/ their Business / Partners / promoters.



**Submission of quotation:**

The vendor has to submit their quotation on or before 06.00 PM on 19.05.2025 on our website ([www.sbipayments.com](http://www.sbipayments.com)) under RFQ/RFP Apply section after successful registration as a vendor.

For any further details/information about the requirement, please contact the below persons at SBI Payments.

Contact person Name	Designation	Email Id
Ms. Alpana Yadav	Sr. Executive	<a href="mailto:srexevm1@sbipayments.com">srexevm1@sbipayments.com</a>
Mr. Amit Kumar	AM-VM	<a href="mailto:amvm@sbipayments.com">amvm@sbipayments.com</a>
Ms. Soni Gupta	Sr. Manager	<a href="mailto:srmhr@sbipayments.com">srmhr@sbipayments.com</a>

**Notes:**

- SBI Payments reserves the right to reject any or all the proposals without assigning any reason thereof.
- After submission of proposal, some or all the Bidders may be asked to make presentations on the proposed scope.



( VP – Vendor Management & Operations)