

J. C. BHALLA & CO.
CHARTERED ACCOUNTANTS

BRANCH OFFICE : B-5, SECTOR-6, NOIDA - 201 301 (U.P.)
TEL. : +91 - 120 - 4241000, FAX : +91-120-4241007
E-MAIL : taxaid@jcbhalla.com

**CERTIFICATE ON ESOP DISCLOSURES AND SEBI SBEB REGULATION
COMPLIANCE**

To,

The Board of Directors

Urban Company Limited (formerly UrbanClap Technologies India Limited)

Unit No. 08, Ground Floor,

Rectangle 1, D4, Saket District Centre,

South Delhi, New Delhi,

Delhi, India, 110017.

Kotak Mahindra Capital Company Limited

1st Floor, 27BKC, Plot No. C -27,

'G' Block, Bandra Kurla Complex,

Bandra (East), Mumbai - 400 051.

Maharashtra, India.

Goldman Sachs (India) Securities Private Limited

9th and 10th Floor, Ascent-Worli,

Sudam Kalu Ahire Marg,

Worli, Mumbai - 400 025.

JM Financial Limited

7th Floor, Cnergy,

Appasaheb Marathe Marg, Prabhadevi,

Mumbai - 400 025,

Maharashtra, India.

Morgan Stanley India Company Private Limited

Altimus, Level 39 and 40,

Pandurang Budhkar Marg,

Worli, Mumbai 400 018,

Maharashtra, India.

(Kotak Mahindra Capital Company Limited, Goldman Sachs India Private Limited, JM Financial Limited and Morgan Stanley India Company Private Limited are collectively referred to as the "Book Running Lead Managers" or the "BRLMs")

Re: Proposed initial public offering of equity shares of face value of ₹ 1 (the "Equity Shares") of Urban Company Limited (the "Company" and such offering, the "Offer")

We, J. C. Bhalla & Co., Chartered Accountants, (Firm Registration no.: 001111N) are the independent chartered accountants, have been engaged by the Company for the purpose of the Offer, are issuing this certificate with respect to accompanying Annexure A comprising of information related to Employee Stock Option Scheme, 2015 ("ESOP 2015") and Employee Stock Option Plan, 2022 (formerly Employee Restricted Stock Units Plan, 2022) ("ESOP 2022") (hereinafter referred to as the "Schemes"). We have performed the following procedures:



HEAD OFFICE : B-17, Maharani Bagh, New Delhi - 110065

1. Reviewed the Restated Consolidated Financial Information of the Company for the three months period ended June 30, 2025 and June 30, 2024 and for financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, prepared in accordance with the Companies Act, 2013, as amended and the rules framed thereunder, the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**Restated Consolidated Financial Information**")
2. Read the copy of the Schemes, as amended, provided to us by the Company.
3. Reviewed the audited financial statements of the Company as at and for the financial year March 31, 2025, March 31, 2024 and March 31, 2023.
4. Read the resolution passed by the board of directors of the Company ("**Board**") at their meetings dated July 1, 2015 and May 10, 2022 and the shareholders' resolutions passed in the Extra-Ordinary General Meeting of the members of Urban Company Limited held on July 25, 2015 and June 6, 2022 noting the approval accorded to the Scheme, which was subsequently modified and approved by the Board on November 19, 2015, January 17, 2017, May 1, 2017, July 23, 2019, November 24, 2020, February 1, 2022., November 23, 2022, December 9, 2024 and, December 20, 2024 and Shareholders' in their meetings dated November 19, 2015, January 18, 2017, May 25, 2017, July 27, 2019, February 8, 2021, February 25, 2022, December 23, 2022, December 31, 2024 and January 31, 2025, in relation to ESOP 2015 and which was subsequently modified and approved by the Board on December 20, 2024 and Shareholders' in their meeting date December 31, 2024 in relation to the ESOP 2022, along with the corresponding explanatory statements circulated in relation to the respective resolutions. and the relevant form filings made by the Company, the relevant statutory registers, reports issued by the practicing company secretary, the share transfer forms, grant letters on a sample basis, and other relevant records of the Company; obtained necessary representations from management.
5. Reviewed the information disclosed in **Annexure A** (as prepared by the management of the Company) and found them to be in agreement with the records maintained by the Company.
6. Read and compared the clauses of the Scheme with the with SEBI ESOP Regulations to ensure compliance;
7. Obtained necessary representations from management.

Based on the procedures and verification of the documents as mentioned above, and information and explanations given to us by the management of the Company, we certify that (i) the particulars as mentioned in the **Annexure A** with respect to the Scheme are true, correct and not misleading, and that (ii) the Scheme has been framed and implemented in compliance with the Companies Act, 2013, as amended, including the relevant accounting standards and guidance note issued by the Institute of Chartered Accountants of India, iii) No employee stock options have been granted to any person other than the current or former employees (as defined in Regulation 2(1)(o) of the SEBI ICDR Regulations) of our Company and Subsidiaries under the ESOP - 2015 and ESOP-2022.



The board of directors of the Company, pursuant to resolution dated January 22, 2019 has cancelled 1,535 options vested on the employees but not exercised under the ESOP- 2015.

Under ESOP - 2015, an aggregate of 92,037.82 options (Convertible to 230,094,550 Shares) have been granted, an aggregate of 30,913.24 options (Convertible to 77,283,100 Shares) have been vested (net of options exercised) and an aggregate of 16,992 options (Converted to 42,480,000 Shares) have been exercised as on the date of this certificate.

Under ESOP - 2022, an aggregate of 2,420 options (Convertible to 6,050,000 Shares) have been granted, an aggregate of 1,381.50 options (Convertible to 3,453,750 Shares) have been vested (net of options exercised). None of the options have been exercised as on the date of this certificate.

We have conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" ("**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have also complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

This certificate is issued for the sole purpose of the Offer, and can be used, in full or part, for inclusion in the red herring prospectus, prospectus and any other material used in connection with the Offer (together, the "**Offer Documents**"), and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the Book Running Lead Managers in connection with the Offer and in accordance with applicable law, and for the purpose of any defense the Book Running Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents. We also consent to the inclusion of this certificate as a part of "Material Contracts and Documents for Inspection" in connection with this Offer, which will be available for public for inspection from date of the filing of the RHP until the Bid/ Issue Closing Date including through online means on the website of the Company.

We confirm that the information in this certificate, including any annexures hereto, is true, fair, correct, complete and accurate and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

This certificate may be relied on by the Company, the BRLMs, their affiliates and legal counsel in relation to the Offer.

We undertake to immediately communicate, in writing, any changes to the above information/confirmations, as and when: (i) made available to us; or (ii) we become aware of any such changes, to the BRLMs and the Company until the Equity Shares allotted in the Offer commence trading on the Stock Exchanges. In the absence of any such communication from us, the Company, the BRLMs and the legal advisors appointed with respect to Offer can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.



Yours faithfully,

For and on behalf of

J. C. Bhalla & Co.

Chartered Accountants

ICAI Firm Registration No. 001111N

(Akhil Bhalla)

Partner

Membership No. 505002

Peer Review Certificate No. 018518

UDIN: 25505002BMIMBW7752

Place: Noida

Date : September 02, 2025

CC:

Domestic Legal Counsel to the Book Running Lead Managers

Cyril Amarchand Mangaldas

Level 1 and Level 2, Max towers,

Plot No. C-001 / A/1, Sector 16 B,

Gautam Buddha Nagar, Noida - 201 301,

Uttar Pradesh, India.

International Legal Counsel to the Book Running Lead Managers

White & Case

White & Case Pte Ltd.

88 Market Street,

#41-01 CapitaSpring,

Singapore 048948.

Domestic Legal Counsel to the Company

Shardul Amarchand Mangaldas & Co

Amarchand Towers 216,

Okhla Industrial Estate Phase III,

New Delhi 110 020,

India.



ANNEXURE A

The following table sets forth the particulars of ESOP-2015 :

Particulars	From July 1, till the date of the Red Herring Prospectus	From April 1, 2024 to June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Options Granted	4,602.73	596.24	7,532.03	5,072.97	7,810.24
No of Employee to whom options were granted	2,028				
Exercise price of Options	₹ 1 or 2500				
Options vested	30,913.24	29,450.03	28,940.13	34,856.17	29,535.17
Cumulative (excluding options that have been exercised)					
Options Exercised	-	-	10,664.00	217.00	20.00
Total no. of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options)^	117,461,750	106,642,250	106,273,175	120,605,625	113,677,050
Options forfeited/lapsed/ cancelled	274.93	448.61	2,601.01	2,084.54	4,806.00
Vesting period	1-4 Years				
Variation in terms of options	NA	NA	NA	NA	NA
Money realized by exercise of the options (Rupees in Millions)	0.00	0.00	1.06	0.00	0.00
Total no. of options in force	46,984.70	42,656.90	42,509.27	48,242.25	45,470.82



Particulars	From July 1, till the date of the Red Herring Prospectus	From April 1, 2024 to June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023																		
Employee-wise details of options granted to:																							
(i) Senior managerial personnel (i.e. Directors and Key Management Personnel)	<table><tr><th>Name of key managerial personnel and senior management</th><th>Total no. of options granted</th></tr><tr><td>Kanav Arora</td><td>2,360.00</td></tr><tr><td>Mukund Kulashekaran</td><td>5,151.00</td></tr><tr><td>Rahul Teotia</td><td>668.00</td></tr><tr><td>Nitesh Agarwal</td><td>1,368.16</td></tr><tr><td>Abhay Krishna Mathur</td><td>1,863.00</td></tr><tr><td>Neha Mathur</td><td>530.64</td></tr><tr><td>Richa Mohanty Rao</td><td>249.32</td></tr><tr><td>Sonali Singh</td><td>30.00</td></tr></table>					Name of key managerial personnel and senior management	Total no. of options granted	Kanav Arora	2,360.00	Mukund Kulashekaran	5,151.00	Rahul Teotia	668.00	Nitesh Agarwal	1,368.16	Abhay Krishna Mathur	1,863.00	Neha Mathur	530.64	Richa Mohanty Rao	249.32	Sonali Singh	30.00
Name of key managerial personnel and senior management	Total no. of options granted																						
Kanav Arora	2,360.00																						
Mukund Kulashekaran	5,151.00																						
Rahul Teotia	668.00																						
Nitesh Agarwal	1,368.16																						
Abhay Krishna Mathur	1,863.00																						
Neha Mathur	530.64																						
Richa Mohanty Rao	249.32																						
Sonali Singh	30.00																						
(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of options granted during that year	Amit Das - 1,485	Nil	Nil	Nil	Mukund Kulashekaran - 2,000, Abhay Krishna Mathur - 1,004																		
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding	NA	NA	NA	NA	NA																		



Particulars	From July 1, till the date of the Red Herring Prospectus	From April 1, 2024 to June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
outstanding warrants and conversions) of the Company at the time of grant					
Fully diluted EPS on a pre- Offer basis on exercise of options calculated in accordance with the applicable accounting standard 'Earning Per Share'	NA	0.05	1.65	(0.66)	(2.25)
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of our Company for the last three fiscals	Not applicable, as per the valuation report, the fair value has been computed as per Black Scholes Model of valuation				
Impact on profits and EPS of the last three years if our Company had followed the accounting policies	NA	NA	NA	NA	NA



Particulars	From July 1, till the date of the Red Herring Prospectus	From April 1, 2024 to June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years					
Intention of the key managerial personnel, senior management, and whole-time directors who are holders of equity shares allotted on exercise of options granted, to sell their Equity Shares within three months after the date of listing of Equity Shares pursuant to the Offer, if any whether the equity shares arise out of options exercised before or after the Offer	KMP, SMP and Whole Time Directors do not intend to sell any equity shares allotted on exercise of their option within 3 months post listing of Equity Shares of the Company				
Intention to sell Equity Shares arising out of, or allotted under an employee stock option scheme within three months after the date of listing of Equity Shares, by Directors, key managerial personnel, senior management and	Not applicable				



Particulars	From July 1, till the date of the Red Herring Prospectus	From April 1, 2024 to June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) which inter-alia shall include name, designation and quantum of the equity shares issued under an employee stock option scheme or employee stock purchase scheme and the quantum they intend to sell within three months					
Method of options valuation	Black-Scholes Model				
- Expected life of options (years)	NA	3.05	3.09	3.15	3.21
- Expected Volatility (% p.a.)	NA	NA	NA	31.80% - 55.50%	45.27% - 73.43%
- Risk Free Rate of Return (%)	NA	NA	NA	6.57% - 6.84%	5.41% - 7.43%
- Dividend Yield (% p.a.)	-	-	-	-	-
- Exercise price per share (₹)	1	1	1	1	1



The following table sets forth the particulars of ESOP-2022:

Particulars	From July 1, till the date of this certificate	From April 1, 2025 to June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Options Granted	-	-	-	24	2,396
No of Employee to whom options were granted	6				
Exercise price of Options	₹ 1 or 2500				
Options vested Cumulative (excluding options that have been exercised)	1,381.50	1,381.50	1,380.50	1,379.50	-
Options Exercised	-	-	-	-	-
Total no. of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options)^	34,56,250	34,56,250	34,56,250	34,56,250	59,90,000
Options forfeited/lapsed/ cancelled	-	-	-	1,037.50	-
Vesting Period	1-4 Years				
Variation in terms of options	NA	NA	NA	NA	NA
Money realised by exercise of the options	-	-	-	-	-
Total no. of options in force	1,382.50	1,382.50	1,382.50	1,382.50	2,396.00
Employee-wise details of options granted to:					
(i) Senior managerial personnel (i.e. Directors and Key Management Personnel)	Name of key managerial personnel and senior management		Total no. of options granted		
	Nil		Nil		



Particulars	From July 1, till the date of this certificate	From April 1, 2025 to June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of options granted during that year	Nil	Nil	Nil	Nil	Aditya Varma : 1,964.00
(iii) Identified employees who were granted options during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NA	NA	NA	NA	NA
Fully diluted EPS on a pre-Offer basis on exercise of options calculated in accordance with the applicable accounting standard 'Earning Per Share'	NA	0.05	1.65	(0.66)	(2.25)
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of our Company for the last three fiscals	Not applicable, as per the valuation report, the fair value has been computed as per Black Scholes Model of valuation				



Particulars	From July 1, till the date of this certificate	From April 1, 2025 to June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years	NA	NA	NA	NA	NA
Intention of the key managerial personnel, senior management, and whole-time directors who are holders of equity shares allotted on exercise of options granted, to sell their Equity Shares within three months after the date of listing of Equity Shares pursuant to the Offer, if any whether the equity shares arise out of options exercised before or after the Offer	KMP, SMP and Whole Time Directors do not intend to sell any equity shares allotted on exercise of their options within 3 months post listing of Equity Shares of the Company				
Intention to sell Equity Shares arising out of, or allotted under an employee stock option scheme within three months after the date of listing of Equity Shares, by Directors, key managerial personnel, senior management and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding	Not Applicable				



Particulars	From July 1, till the date of this certificate	From April 1, 2025 to June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
warrants and conversions) which inter-alia shall include name, designation and quantum of the equity shares issued under an employee stock option scheme or employee stock purchase scheme and the quantum they intend to sell within three months					
Method of options valuation			Black-Scholes Model		
- Expected life of options (years)	NA	2.92	2.92	3.15	2.91
- Expected Volatility (% p.a.)	NA	NA	NA	45%-53%	45.27% - 73.43%
- Risk Free Rate of Return (%)	NA	NA	NA	6.57%- 6.84%	5.41% -7.43%
- Dividend Yield (% p.a.)	NA	-	-	-	-
- Exercise price per share (₹)	NA	1	1	1	1

^Note : The members of the Company, in their meeting held on January 31, 2025, have approved the issuance of bonus shares to the eligible shareholders of the Company in the ratio of 2,499 (Two Thousand Four Hundred Ninety-Nine) Equity Shares for every 1 (One) Equity Shares held with a record date of February 12, 2025.

The details of allotments made by the Company pursuant to the ESOP Schemes are as set forth below:

S. No.	Exercised date	No. of Equity Shares	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of allotment	Nature consideration
1	July 1, 2017	775	1	1	Under the ESOP Scheme 2015	Cash
2	May 16, 2019	120	1	1		
3	September 1, 2020	3410	1	1		



S. No.	Exercised date	No. of Equity Shares	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of allotment	Nature consideration
4	May 22, 2021	26	1	1		
5	September 13, 2021	217	1	1		
6	December 03, 2021	1543	1	1		
7	November 23, 2022	20	1	1		
8	May 25, 2023	3	1	1		
10	January 24, 2024	214	1	1		
11	May 17, 2024	6438	1	1		
12	May 17, 2024	3139	1	1		
13	May 17, 2024	26	1	1		
14	December 24, 2024	500	1	1		
14	February 18, 2025	10,50,000	1	1		

