

Disclosure pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014 for the financial year ending March 31, 2020

The Securities and Exchange Board of India (SEBI), vide its notification dated October 28, 2014, had issued the Securities and Exchange Board of India (Share-based Employee Benefits) Regulations, 2014 ('The SEBI Regulations') which replaced the SEBI ESOP Guidelines, 1999.

Sl. No	Details related to ESOS	ESOP 2005	ESOP 2018
A	Relevant disclosures in terms of 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	Refer note 34 to Standalone financial statements & note 33 to Consolidated Financial statements	Refer note 34 to Standalone financial statements & note 33 to Consolidated Financial statements
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 ICAI or any other relevant accounting standards as prescribed from time to time	₹ (3.78)	₹ (3.78)
C.	Details related to ESOS for the financial year ending March 31, 2020		
(i)	(a) Date of shareholders' approval	April 23, 2007	July 31, 2018
	(b) Total number of options approved under ESOS	20,00,000	2,81,00,146
	(c) Vesting requirements	As determined by the Board / Compensation Committee	As determined by the Board / Nomination & Remuneration Committee
	(d) Exercise price or pricing formula	The options were granted at a price, which was not less than 85% of the average of the closing price of the equity shares during the 15 trading days preceeding the date of grant on the stock exchange where there was highest trading volume during this period.	₹ 6
	(e) Maximum term of options granted	As determined by the Board / Compensation Committee	As determined by the Board / Nomination & Remuneration Committee
	(f) Source of shares (primary, secondary or combination)	Primary	Secondary
	(g) Variation in terms of options	NIL	NIL
(ii)	Method used to account for ESOS - Intrinsic or fair value.	Intrinsic Value	Fair value
(iii)	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	Profit would have reduced by ₹ 50,475 and there would be no impact on EPS.	NA
(iv)	Option movement during the year (For each ESOS)		
	Particulars		
	(a) Number of options outstanding at the beginning of the period	6,125	1,06,50,000
	(b) Number of options granted during the year	NIL	1,28,00,000
	(c) Number of options forfeited / lapsed during the year	6,125	10,50,000
	(d) Number of options vested during the year	NIL	53,25,000
	(e) Number of options exercised during the year	NIL	4,25,000
	(f) Number of shares arising as a result of exercise of options	NIL	NIL%
	(g) Money realized by exercise of options (INR), if scheme is implemented directly by the company	NIL	25,50,000
	(h) Loan repaid by the Trust during the year from exercise price received	NIL	25,50,000
	(i) Number of options outstanding at the end of the year	NIL	2,19,75,000
	(j) Number of options exercisable at the end of the year	NIL	2,19,75,000

(v)	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	Weighted Average exercise price - ₹13.74	Weighted average Exercise price -₹ 6, Weighted Average Fair value of options - ₹1.23
(vi)	Employee wise details of options granted to		
	(a) Senior Managerial Personnel;	NIL	Vinod Kumar Padmanabhan (MD & CEO) -8,00,000* Venkatraman G S (CFO) -3,50,000 Shiva Shankar Naga Roddam (WTD & COO) - 6,00,000^ G V Krishnakanth (CS) -50,000
	(b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	NIL	Venkatesh Krishnan (Vice-President Sales, North Americas)-7,50,000
	(c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	NIL	NIL
vii	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	Intrinsic Value	Black-Scholes Model
	(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;	a) the weighted-average values of share price-₹ 18.24 b) Exercise price - Refer C (i) (d) above c) expected volatility-34%-64.85% d) expected option life-4 years e) expected dividends-0%-1.19% f) the risk-free interest-6%-8% rate and any other inputs to the model;	a)the weighted-average values of share price-₹6 b)exercise price-₹6 c) expected volatility-41% d) expected option life-2 years e) expected dividends-0% f) the risk-free interest-6.70% rate and any other inputs to the model;
	(b) the method used and the assumptions made to incorporate the effects of expected early exercise;	NA (No options were granted during the year)	No assumptions were made to incorporate the effects of expected early exercise of options
	(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The expected volatility reflects assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.	The expected volatility reflects assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.
	(d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	NA	NA
v	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	NA	NA
(i)	General information on all schemes		
Sl. No.	Particulars	ESOP 2005	ESOP 2018

1	Name of the Trust	NA	Subex Employee Welfare & ESOP Benefit Trust
2	Details of the Trustee(s)	NA	Ms. Niveditha Lalge, Mr. Prashanth Nayak M, Mr. Khushwant Golechha (The Trustees are employees of Subex)
3	Amount of loan disbursed by company / any company in the group, during the year	NA	₹ 6,11,30,000
4	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	NA	₹ 12,30,80,000
5	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	NA	NA
6	Any other contribution made to the Trust during the year	NA	NIL
(ii)	Brief details of transactions in shares by the Trust	ESOP 2005	ESOP 2018
1	Number of shares held at the beginning of the year	NA	1,12,00,000
2	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 per share	NA	During the year, 1,12,00,000 equity shares (2% of the paid-up capital as on March 31, 2018) were acquired through secondary acquisition at an average price of ₹ 5.46
3	Number of shares transferred to the employees / sold along with the purpose thereof	NA	4,25,000
4	Number of shares held at the end of the year	NA	2,19,75,000
(iii)	In case of secondary acquisition of shares by the Trust		
		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	
	Number of shares	ESOP 2005	ESOP 2018
a	Held at the beginning of the year	NA	1,12,00,000
b	Acquired during the year		1,12,00,000
c	Sold during the year		NIL
d	Transferred to the employees during the year		4,25,000
e	Held at the end of the year		2,19,75,000

* Stock options granted to Mr. Vinod Kumar Padmanabhan, as an employee of Subex Assurance LLP.

^ Stock options granted to Mr. Shiva Shankar Naga Roddam, as an employee of Subex Assurance LLP.

% There are no fresh equity shares arising as a result of exercise of options during the year ended March 31, 2020. Shares were transferred from the ESOP Trust against exercise of options.