



Subex Limited

(CIN: L85110KA1994PLC016663)

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POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (as amended) and applicable circulars issued by the Ministry of Corporate Affairs, Government of India, from time to time)

Dear Member(s),

Notice is hereby given that the resolution set out below is proposed to be passed by the members of Subex Limited (referred to as the “the Company”) by means of Postal Ballot, only by way of remote e-voting process, pursuant to Section 108 and 110 of the Companies Act, 2013 (“the Act”) read with Companies (Management and Administration) Rules, 2014 (“the Rules”), and other applicable provisions of the Act and Rules, General Circular No. 14/2020 dated April 08, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June, 23, 2021 and General Circular No. 20/2021 dated December 8, 2021 (“MCA Circulars”), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with SEBI Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI / HO /CFD /CMD2 /CIR/P/2021/11 dated January 15, 2021, Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India and other applicable, laws, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and as amended from time to time).

Section 110 of the Companies Act, 2013 read with the rules framed thereunder provide for passing of resolutions by postal ballot. In terms of said section and rules, a Company may, and in case of resolutions relating to such business as the Central Government may, by notification, declare to be conducted only by postal ballot, get any resolution (other than ordinary business or businesses where any person has a right to be heard) passed by means of postal ballot, instead of transacting the business in general meeting of the Company.

The Company will send Postal Ballot Notice by e-mail to all its members who have registered their email addresses with the Company or depository / depository participants and the communication of assent / dissent of the members will only take place through the remote e-voting system. This Postal Ballot is accordingly being initiated in compliance with the MCA

Circulars to transact the following business by the members of the Company through Postal Ballot by remote e-voting process only.

In compliance with the requirements of the MCA Circulars, hard copies of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the members for this Postal Ballot and members are required to communicate their assent or dissent through the remote e-voting system only.

It is proposed to obtain the consent of the members by way of Postal Ballot for the matter as considered in the Resolution appended below. The Explanatory Statement pursuant to Section 102 of the Companies Act pertaining to the said Resolutions setting out material facts and the reasons for the Resolutions are also annexed.

You are requested to peruse the proposed Resolutions along with their respective Explanatory Statement and thereafter record your assent or dissent by means of remote e-voting facility provided by the Company.

The Company has appointed Mr. Pramod S.M. (FCS Membership No. 7834 and Certificate of Practice No.13784), Partner, BMP & Co., LLP, Practicing Company Secretaries as the Scrutinizer and Mr. Biswajit Ghosh, (FCS Membership No. 8750 and Certificate of Practice No. 8239), Partner, BMP & Co., LLP, Practicing Company Secretaries, as an alternate scrutinizer to Mr. Pramod S.M., for conducting the meeting only through the electronic voting process, in a fair and transparent manner.

The Company has engaged the services of the KFin Technologies Private Limited (“Kfintech”) for providing e-voting facility to the members. In compliance with Regulation 44 of the Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules and the MCA Circulars, the Company has extended only the remote e-voting facility to its Members, to enable them to cast their votes electronically instead of submitting the postal ballot form. The instructions for remote e-voting have been appended to this Postal Ballot Notice.

Members requiring any clarifications on voting by e-voting may contact Kfintech on toll-free number 1800 309 4001 or by email at einward.ris@kfintech.com. Also, if any Members need assistance with regards to using the technology, they can contact KFin Technologies Private Limited, Selenium Tower B, Plot 31- 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana, at e-mail id einward.ris@kfintech.com, toll free no: 1800 309 4001.

Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member as on the cut-off date i.e., Friday, January 14, 2022. The e-Voting commences on Tuesday, January 25, 2022 at 9.00 am (IST) and ends on Wednesday, February 23, 2022 at 05.00 pm (IST). The Special Resolution, if passed by requisite majority, will be deemed to have been passed on the last date of remote e-voting i.e. Wednesday, February 23, 2022.

The Scrutinizer will submit the report to the Chairman/Company Secretary of the Company, upon completion of scrutiny of the result of the postal ballot i.e. e-Voting and the result will be announced on or before Friday, February 25, 2022. The result will be posted on the Company's website at : <https://www.subex.com/investors/investor-information/#postal-ballot-2022> and on the website of Kfintech at <https://evoting.kfintech.com> besides communicating the same to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

Notice of the Postal Ballot is available on the website of the Company at: <https://www.subex.com/investors/investor-information/#postal-ballot-2022> and also on the website of the Stock Exchanges, namely NSE and BSE.

SPECIAL BUSINESSES

1. Approval for transfer of RMS business from Subex Assurance LLP to the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013, if any, read with the rules framed thereunder, as amended, (“the Act”), Regulation 24 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015, as amended, (‘Listing Regulations’) and Memorandum and Articles of Association of the Company and subject to any other approval of statutory/ competent authority, if and to the extent necessary, and such other consents, approvals, permissions and sanctions as may be required, the consent, authority and approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall include a committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to transfer Revenue Maximization Solutions and related businesses carried out by its wholly owned material subsidiary Subex Assurance LLP (“SALLP”) (the “Seller”) to the Company (the “Buyer”) including (a) contracts, agreements, licenses, engagements, financial instruments, commitments and other contractual arrangements relating to such business including obligations under contracts which are surviving and relate to such business; (b) the assets and properties, whether tangible or intangible, rights, titles, interests and privileges relating to such business, excluding the shares of Subex (UK) Limited, Subex Middle East (FZE) & Subex Bangladesh Private Limited, intangible asset being developed technology and/ or any other asset as may be decided by the Board and (c) identified persons on the payroll of the SALLP, (the “RMS Business”); by way of slump sale, without values being assigned to the individual assets and liabilities, for a lumpsum consideration of Rs. 95,00,00,000/- (Rupees Ninety-Five Crores only) subject to working capital and/ any other additional adjustments on such terms and conditions proposed to be entered into by and between the Company and Subex Assurance LLP.”

RESOLVED FURTHER THAT any one of the Directors of the Company, Chief Financial Officer, Mr. G V Krishnakanth, Company Secretary & Compliance Officer, Mr. Himanshu Singhal and Mr. Vikas Mehta, Authorized Signatories be and are hereby severally authorized to agree, accept and negotiate/finalize and execute all such agreements, deeds, documents and writings, to file application(s) and seek requisite approvals from the relevant authorities, including governmental authorities etc. and to do all such acts, deeds, matters and things ancillary and incidental thereto in its absolute discretion.”

**By order of the Board
For Subex Limited**

**Sd/-
Vinod Kumar Padmanabhan
Managing Director & Chief Executive Officer
DIN:06563872**

**January 17, 2022
Bengaluru**

NOTES

1. The Explanatory Statement setting out all material facts as required under Section 102 of the Companies Act, 2013 in respect of the resolution contained in the above Notice is appended and forms part of the Notice.
2. Mr. Pramod S.M. (FCS Membership No. 7834 and Certificate of Practice No.13784), Partner, BMP & Co., LLP, Practicing Company Secretaries as the Scrutinizer and Mr. Biswajit Ghosh, (FCS Membership No. 8750 and Certificate of Practice No. 8239), Partner, BMP & Co., LLP, Practicing Company Secretaries, as an alternate scrutinizer to Mr. Pramod S.M., for conducting the e-voting process in a fair and transparent manner.
3. The Company has engaged the services of the KFin Technologies Private Limited (“Kfintech”) for providing e-voting facility to the members. In compliance with Regulation 44 of the Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules and the MCA Circulars, the Company has extended only the remote e-voting facility to its Members, to enable them to cast their votes electronically instead of submitting the postal ballot form. The instructions for remote e-voting has been appended to this Postal Ballot Notice.

4. Postal Ballot Notice is being sent via email only to the Members of the Company, whose names appear on the Register of Members/list of Beneficial Owners, as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on Friday, January 14, 2022, the cut-off date. Any person who is not a Member as on the cut-off date should treat this Postal Ballot Notice for information purposes only. The Postal Ballot Notice is sent electronically to all the shareholders who have registered their email addresses with the Company /Depositories/Registrar and Share Transfer Agent (Kfintech). The same may also be downloaded from the Company's website: <https://www.subex.com/investors/investor-information/#postal-ballot-2022> and the website of Kfintech. Due to the threat posed by COVID-19 and as permitted vide the MCA Circulars and SEBI Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI /HO /CFD /CMD2/CIR/P/2021/11 dated January 15, 2021, the Company is sending this Postal Ballot Notice in electronic form only. The Company expresses its inability to dispatch hard copy of this Postal Ballot Notice, Postal Ballot forms and pre-paid Business Reply Envelope to the Members for this Postal Ballot. Accordingly, the members may note that communication of the assent or dissent of the Members would take place through the remote e-Voting system only.
5. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member as on the cut-off date i.e. Friday, January 14, 2022. The e-Voting commences on Tuesday, January 25, 2022 at 9.00 am (IST) and ends on Wednesday, February 23, 2022 at 05.00 pm (IST). You are requested to read carefully the instructions before exercising the vote and complete the e-voting on or before 5.00 p.m. on Wednesday, February 23, 2022.
6. Members are requested to register their email address, in respect of electronic holdings with their concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent ("Kfintech").
7. Those Members who have already registered their e-mail addresses are requested to keep their email addresses validated with their Depository Participants / RTA to enable servicing of notices / documents / Annual Reports and other communications electronically to their email address in future.
8. The Company will be publishing the notice of Postal ballot, an advertisement in English newspaper and Kannada newspaper, each circulating in the district, where the Registered Office of the Company is situated, and also on the Company's website: <https://www.subex.com/investors/investor-information/#postal-ballot-2022> and the same will be also be available in the websites of Stock Exchanges.
9. The documents referred to in explanatory statement will be made available for inspection at Registered Office of the Company on all working days during the business hours of the Company from the date of dispatch of notice up to the last date of e-voting.

10. The last date specified by the Company for e-voting shall be the date on which the resolutions would be deemed to have been passed, if approved by the requisite majority.
11. The Company is offering only Remote E-voting facility to its Members to enable them to cast their vote. A Member has to carefully follow the instructions as given for E-voting. Members can use the facility and log in any number of times till they vote on the Resolution or till the end of the voting period, whichever is earlier. Members who have not registered their E-mail ID for receipt of documents in electronic mode under the green initiative of Ministry of Corporate Affairs, need to log on to <https://ris.kfintech.com/clientservices/postalballot/registration.aspx> to provide their Email ID and they would get an email with the link to participate in Remote E-voting.

12. Voting through electronic means

In compliance with the provisions of Sections 108 and 110 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the members are provided with the facility to cast their vote electronically instead of dispatching the physical Postal Ballot Form by post.

13. The instructions for Remote E-voting are asunder:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFintech e-Voting system in case of shareholders holding shares in physical mode and non- individual shareholders in demat mode.

Details on Step 1 are mentioned below:

Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. User already registered for IDeAS facility: i. Visit URL: https://eservices.nsdl.com ii. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section. iii. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”

	iv. Click on company name or e-Voting service provider and you will be re- directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 2. User not registered for IDeAS e-Services i. To register click on link : https://eservices.nsdl.com ii. Select “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp iii. Proceed with completing the required fields. iv. Follow steps given in points 1 3. Alternatively by directly accessing the e-Voting website of NSDL i. Open URL: https://www.evoting.nsdl.com/ ii. Click on the icon “Login” which is available under ‘Shareholder/Member’ section. iii. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password /OTP and a Verification Code as shown on the screen. iv. Post successful authentication, you will be requested to select the name of the company and the name of the e-Voting Service Provider (ESP), i.e. KFintech. v. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing user who have opted for Easi / Easiest i. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com ii. Click on New System Myeasi iii. Login with your registered user ID and password. iv. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. v. Click on e-Voting service provider name to cast your vote. 2. User not registered for Easi/Easiest i. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration ii. Proceed with completing the required fields. iii. Follow the steps given in point 1

	3. Alternatively, by directly accessing the e-Voting website of CDSL - Visit URL: www.cdslindia.com - Provide your demat Account Number and PAN No. - System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. - After successful authentication, user will be provided links for the respective ESP, i.e Kfintech where the e- Voting is in progress.
Individual Shareholder login through their demat accounts/ Website of Depository Participant	- You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. - Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. - Click on options available against company name or e-Voting service provider – Kfintech and you will be redirected to e-Voting website of Kfintech for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022- 23058542-43

Details on Step 2 are mentioned below:

Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

- (A) Members whose email IDs are registered with the Company/Depository Participant(s), will receive an email from Kfintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (e-Voting Event Number), followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-Voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on “LOGIN”.
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it.

It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the “EVEN” and click on “Submit”
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on “Submit”.

- xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - i. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to cast its vote through remote e-Voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id pramod@bmpandco.com with a copy marked to evoting@kfintech.com and investorrelations@subex.com. The scanned image of the above-mentioned documents should be in the naming format “Corporate Name_Event No.”
- (B) Members whose email IDs are not registered with the Company/Depository Participant(s), and consequently the Postal Ballot Notice and remote e -Voting instructions cannot be serviced, will have to follow the following process:**
- i. Members who have not yet registered their respective e-mail address are requested to get their e-mail address temporarily registered by visiting <https://ris.kfintech.com/clientservices/postalballot/registration.aspx>. Post successful registration of email, the Members would get soft copy of the notice and the procedure for remote e-voting along with the User ID and Password to enable remote e-voting for this Postal Ballot. In case of any queries, members may write to evoting@Kfintech.com In case of any queries, members may write to einward.ris@kfintech.com.
 - ii. Alternatively, members may send an e-mail request at the email ID einward.ris@kfintech.com along with scanned signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for receiving the Postal Ballot Notice and the remote e-voting instructions.
 - iii. The Scrutinizer will submit the report to the Chairman/Company Secretary of the Company, upon completion of scrutiny of the result of the postal ballot i.e. e-Voting and the result will be announced on or before day, date. The result will be posted on the Company's website at <https://www.subex.com/investors/investor-information/#postal-ballot-2022> and on the website of Kfintech at <https://evoting.kfintech.com> besides communicating the same to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

C. General Instructions

i. In case Members of the Company have not registered their e-mail address:

On account of COVID-19 and in terms of the said MCA Circulars and SEBI Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, the Company will send Postal Ballot Notice in electronic form only and hard copy of Postal Ballot Notice along with Postal Ballot Form and pre-paid business envelope will not be sent to the Members for this Postal Ballot. Accordingly, the communication of the assent or dissent of the Members would take place through the E-voting system only.

- ii. The Remote e-voting period commences from 9.00 a.m. (IST) on Tuesday, January 25, 2022 and ends at 5.00 p.m. (IST) on Wednesday, February 23, 2022. During this period, the members of the Company, holding shares either in physical form or in demat form, as on the cut-off date i.e. Friday, January 14, 2022, may cast their vote electronically. Once the vote on the resolution is cast by the member, the member shall not be allowed to change it subsequently.
- iii. The Scrutinizer shall unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Company Secretary of the Company.
- iv. The Scrutinizer will submit the report to the Chairman/Company Secretary of the Company, upon completion of scrutiny of the result of the postal ballot i.e. e-Voting and the result will be announced on or before Friday, February 25, 2022. The result will be posted on the Company's website at <https://www.subex.com/investors/investor-information/#postal-ballot-2022> and on the website of Kfintech at <https://evoting.kfintech.com> besides communicating the same to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

To receive communication through electronic means, members are requested to kindly register/update their respective email address with their depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their respective e-mail address with Kfintech on <https://ris.kfintech.com/clientservices/postalballot/registration.aspx> or contact Mr. S V Raju, Dy. Vice President, Toll Free No. 1800 309 4001 at [Unit: Subex Limited] KFin Technologies Private Limited, Selenium Building B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana State, India.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The Company's business, by its nature, is dynamic and competitive, which may necessitate changes in the business plan and/or structure of the Group to address the business requirements, competitive threats, including those that may not be currently envisaged.

The proposal envisaged by the Company will help in achieving the overall objectives, which *inter alia* include:

- (i) To address the concerns of shareholders, analysts, investors, bankers and credit rating agencies to capture and reflect the entire revenues of the business, access to complete cash flow of the operating business in the Company on a standalone basis rather than following the existing model of getting only a share of profits from SALLP. Once the proposed restructuring is complete, the Company's balance sheet, P&L and cash flow will reflect the complete picture of the RMS Business and key ratios like ROE, ROCE and PE multiple reflecting the real health of the business;
- (ii) Most telecom operators Subex works with are, large enterprises, and they typically look to work with a stable financially strong company – which can service their critical business needs without any disruptions. Since the products Subex offer are very critical and integral to the operations of Telecom operators, the financial strength and stability of the partners they work with, is very important for the telecom operators. Therefore, when such large telecom companies work with a listed company, the comfort they get on better visibility of the financials of the company, corporate governance practices and regular disclosures to stock exchanges makes the whole engagement much better;
- (iii) Integrating and consolidating the RMS and related businesses in the Company will facilitate greater focus on core business vertical and attaining higher operational efficiencies in terms of costs, improve organizational capabilities and optimizing the utilization of available funds and resources, diverse skills, talent, and experience in specialized fields to compete successfully in an increasingly competitive industry; and
- (iv) The Company currently wholly owns 99.99% interest in SALLP and has operations limited to Data Integrity Management Business only. Currently, there is a lack of clarity if the Company would be subject to the risk of being classified as Non-Banking Financial Company (NBFC) if the share of profits from SALLP (housing RMS Business) is significant i.e. more than 50% of the its gross income. Upon completion of the current restructuring (i.e. transfer of RMS Business by SALLP to the Company), the Company will also eliminate such NBFC classification risk since the significant operating revenue from RMS Business (as against share of profit in SALLP) will directly be reflected in the Company."

Members are informed that the Audit Committee and the Board of Directors in their respective meetings held on 28th October, 2021 have, subject to the approval of members and any other approval of statutory/ competent authority (if and to the extent necessary) approved the transfer of the RMS Business of the SALLP (the “Seller”) to the Company (the “Buyer”); by way of slump sale, without values being assigned to the individual assets and liabilities, for a lumpsum consideration of Rs. 95,00,00,000/- (Rupees Ninety Five Crores only) subject to working capital and/ any other additional adjustments on such terms and conditions proposed to be entered into by and between the Company and Subex Assurance LLP (“Transaction”).

Accordingly the Transaction, between the Company and Subex Assurance LLP will be undertaken, subject to approval of the Members of the Company for the transfer of RMS Business, including: (a) the contracts, agreements, licenses, engagements, financial instruments, commitments and other contractual arrangements relating to such business including obligations under contracts which are surviving and relate to such business; (b) the assets and properties, whether tangible or intangible, rights, titles, interests and privileges relating to such business , excluding the shares of Subex (UK) Limited, Subex Middle East (FZE) & Subex Bangladesh Private Limited, intangible asset being developed technology and/ or any other asset as may be decided by the Board and (c) identified persons on the payroll of the SALLP.

In terms of Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, shareholders’ approval by passing a Special Resolution is required for selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year.

SALLP, being a material subsidiary, in terms of the Company’s Policy on Material Subsidiary, and pursuant to the applicable provisions of the Companies Act and Listing Regulations approval of the shareholders of the company is for the transaction contemplated in the Notice as Special Resolution.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted Options under the Scheme.

Accordingly, your Directors recommend the passing of the Special Resolution as specified in Postal Ballot Notice.

Considering above, you are requested to accord your approval to the Special Resolution as set out in the accompanying Postal Ballot Notice.