

**E2E NETWORKS LIMITED**  
**Employee Stock Option Schemes (ESOSs)**  
**Disclosure Pursuant to Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014**  
**(ESOP disclosure for the FY 2019-20)**

**1) General Disclosures**

- a. Disclosure under Guidance note on Accounting for employee share-based payments or any other applicable AS.

For details please refer to Note No. 31 in notes to Financial Statements mentioned in the Annual Report 2019-20.

- b. Diluted EPS on issue of Shares covered pursuant to all the ESOS covered under the Regulations shall be disclosed in accordance with "AS-20-Earning Per Share" issued by ICAI or any other relevant accounting standards as prescribed from time to time.

For details please refer to Note No. 22 in notes to Financial Statements mentioned in the Annual Report 2019-20.

**2) Scheme specific Disclosures:- E2E ESOS SCHEME 2018**

**i) General Disclosures**

<b>S. No.</b>	<b>Particulars</b>	<b>Disclosures</b>
1.	Date of Shareholder's Approval	March 01, 2018
2.	Total Number of options Approved under ESOS 2018	4,00,000
3.	Vesting requirements	<p>The options shall vest over a period of five years of continuous completed service from the date of Grant of Options. It is being clarified that each annual vesting shall be subject to continuous and uninterrupted employment of the option holder with the company for a period of 12 months. The options shall vest as follows:-</p> <ul style="list-style-type: none"> <li>-20% on expiry of 1 year from the date of grant</li> <li>-20% on expiry of 2 year from the date of grant.</li> <li>-20% on expiry of 3 year from the date of grant.</li> <li>-20% on expiry of 4 year from the date of grant.</li> <li>-20% on expiry of 5 year from the date of grant.</li> </ul>

4.	Exercise Price or Pricing Formula	For K R Mohamed Imran (Chief Operating Officer): Rs. 12/- For other employees: 10% discount to the IPO price of Rs. 57
5.	Maximum term of Options Granted	Five years from the date of vesting.
6.	Sources of Share (Primary, Secondary or Combination)	Primary
7.	Variation in terms of option	No Variation
8.	Method used for Accounting of ESOS (Intrinsic Value or Fair Value)	Fair value estimated by Black Scholes Method.
9 (a)	Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and employee compensation cost calculated on the basis of fair value of stock options.	N.A.
9(b)	Impact on the profits of the Company and on the earnings per share ("EPS") arising due to difference in the accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options)	N.A.
10.	Weighted average exercise price and weighted average fair value of options whose exercise price either equals or exceeds or is less than market price of the stock	<b><u>Weighted Average Exercise Price:</u></b>  INR 21.49  <b><u>Weighted Average Fair Value of options:</u></b>  INR 38.57

**ii) Option Movement during the F.Y.2019-20**

S. No.	Particulars	Disclosures
1	Number of options outstanding at the beginning of the period	2,42,602
2	Number of options granted during the year	-
3	Number of options forfeited / lapsed during the year	9,200
4	Number of options vested during the year	55,976
5	Number of options exercised during the year	-
6	Number of shares arising as a result of exercise of options	-
7	Money realized by exercise of options (INR), if scheme is implemented directly by the company	-
8	Loan repaid by the Trust during the year from exercise price received	N.A.
9	Number of options outstanding at the end of the year	2,33,402
10	Number of options exercisable at the end of the year	66,590

**iii) Employees Details who were granted options during the year**

S. No.	Particulars	Name of Employee	Designation	Number of options granted during the year	Exercise Price
1	Senior Managerial Personnel	Not Applicable as no options were granted during the year			
2	Employee who received grant in any one year equal to or more than 5% of Options granted during the Year.				
3	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				

**iv) Accounting Method and Assumptions**

Method used	"Black Scholes Option Pricing Method"
Risk free interest rate	7.76%
Expected Life	5 years
Expected Volatility (based on last year trend)	0%
Expected Dividends	0%
Price of underlying shares in market at the time of Option grant	N.A.