

**Disclosures under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021**

Members at their 11<sup>th</sup> Annual General Meeting (AGM) held on 24<sup>th</sup> September, 2021 approved "Spacenet Employee Stock Option Scheme- 2021" ("The Scheme").

**A. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.**

The disclosures are provided in the Notes No 2.19 & 36 to the Stand alone financial statements & Notes No 2.21 & 39 to the consolidated financial statements for the year ended March 31, 2022.

**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 Central Government or any other relevant accounting standards as issued from time to time.**

There will be no Diluted EPS on issue of shares pursuant to the scheme, since no shares were issued during the FY 2021-22 Under SPACENET Employee Stock Option Scheme 2021.

**C. Details related to ESOS**

- (i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including –

a.	Date of shareholders' approval:	24th September, 2021 at 11 <sup>th</sup> AGM-2021										
b.	Total number of options approved under "Spacenet Employee Stock Option Scheme- 2021	1,00,00,000 (One Crore only)										
c.	Vesting requirements	Options granted under SPACENET Employee Stock Option Scheme 2021 shall vest over a period of 04 (Four) years in the Following Manner: <table border="1" data-bbox="837 1310 1380 1713"> <thead> <tr> <th>Vesting Period</th> <th>Vesting proportion</th> </tr> </thead> <tbody> <tr> <td>End of one year from the date of grant</td> <td>60% of options granted</td> </tr> <tr> <td>End of two years from the date of grant</td> <td>15% of options granted</td> </tr> <tr> <td>End of three years from the date of grant</td> <td>15% of options granted</td> </tr> <tr> <td>End of Four years from the date of grant</td> <td>10% of options granted</td> </tr> </tbody> </table>	Vesting Period	Vesting proportion	End of one year from the date of grant	60% of options granted	End of two years from the date of grant	15% of options granted	End of three years from the date of grant	15% of options granted	End of Four years from the date of grant	10% of options granted
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End of one year from the date of grant	60% of options granted											
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End of three years from the date of grant	15% of options granted											
End of Four years from the date of grant	10% of options granted											
d.	Exercise price or pricing formula	Rs.01/- (Rupees One Only)  as decided by Nomination and Remuneration committee based on the following pricing formula "Not less than the face value of the shares and not higher than the prevailing Market Price as on date of grant."										
e.	Maximum term of options granted	04 (Four) years										

f.	Source of shares (primary, secondary or combination)	primary
g.	Variation in terms of options	NIL

**(ii) Method used to account for ESOS – Fair Value Method**

**(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. – Not Applicable**

**(iv) Option movement during the year (For each ESOS):**

Sr. No	Particulars	Details
1	Number of options outstanding at the beginning of the period	NIL
2	Number of options granted during the year	5520000 (Fifty-Five Lakh Twenty Thousand only)
3	Number of options forfeited / lapsed during the year	NIL
4	Number of options vested during the year	5520000 (Fifty-Five Lakh Twenty Thousand only)
5	Number of options exercised during the year	NIL
6	Number of shares arising as a result of exercise of options	0 Since options have not been exercised and will be exercised after vesting period
7	Money realized by exercise of options (INR), if scheme is implemented directly by the company	NIL
8	Loan repaid by the Trust during the year from exercise price received	NOT APPLICABLE
9	Number of options outstanding at the end of the year	5520000 (Fifty-Five Lakh Twenty Thousand only)
10	Number of options exercisable at the end of the year	NIL

**(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.**

Grant date	Number of options granted	Number of options outstanding	Exercise Price (in Rs.)	Fair value at grant date (in Rs.)
21 <sup>st</sup> February, 2022	5520000 (Fifty Five Lakh Twenty Thousand only)	5520000 (Fifty Five Lakh Twenty Thousand only)	Rs.01/- (Rupee One Only)	1.34

**(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –**

**a. senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;**

Sr.No	Name of employee,	Designation	number of options granted during the year	exercise price
1	Mr. Dasigi Venkata Prakash Rao	Chief Financial Officer (CFO)	900000	Rs.01/- (Rupee One Only)
2	Mr. M. Chowda Reddy	company secretary	700000	Rs.01/- (Rupee One Only)

**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;**

Sr.No	Name of employee,	Designation	number of options granted during the year	exercise price
1	Mr. Dasigi Venkata Prakash Rao	Chief Financial Officer (CFO)	900000	Rs.01/- (Rupee One Only)
2	Mr. M. Chowda Reddy	company secretary	700000	Rs.01/- (Rupee One Only)
3	Mr.Suresh Tammineedi	Executive Director	400000	Rs.01/- (Rupee One Only)
4	Mr.Satya Srikanth Karaturi	Whole Time Director	700000	Rs.01/- (Rupee One Only)
5	Mr.Vasudeva Rao Maraka	Operations Manager	800000	Rs.01/- (Rupee One Only)
6	Mr.Ganesh Kumar Pilla	Accounts Manager	750000	Rs.01/- (Rupee One Only)

**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:**

No employee was 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:

**(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:**

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;	As per the Notes No 2.19 & 36 to the Stand alone financial statements & Notes No.21 & 39 to the Consolidated financial statements for the year ended March 31, 2022.
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b	the method used and the assumptions made to incorporate the effects of expected early exercise;	The fair value of equity share options is estimated at the date of grant using Black- Scholes model, taking into account the terms and conditions upon which the share options were granted.  Based on the historical trends, more than 50% of stock options are expected to be vested and exercised
c	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
d	Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.	No

**Disclosures in respect of grants made in three years prior to IPO under each ESOS :** Not Applicable

Further, the above details are disclosed on the company's website in the following web-link

<https://www.spacenetent.com/Investor-Relations.html>

**For Specenet Enterprises India Limited**

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**Sd/-**

**Satya Srikanth Karaturi**  
**Whole Time Director**  
**(DIN: 07733024)**

**Sd/-**

**DasigiVenkata Surya Prakash Rao**  
**Executive Director**  
**(DIN: 03013165)**

**Date:03-09-2022**

**Place: Hyderabad**