

Celebrating the coming together of ESOP Direct & QAPITA

Yesterday was a big day in the life of ESOP Direct. The change in control is an event to celebrate for ALL OF US.

Celebration because the change happened at the timing of our choice, with the partner of our choice and on the terms of our choice. All of us are celebrating, our Founders, employees and our customers. It is all of us who have made ESOP Direct what it is today.

This timing is of our choice. Over the last few years, we have grown quite fast and consistently, adding more customers, more offerings, more employees and more profits. Right from creating the first platform in India for managing the ESOP Plans about 20 years ago to creating new services such as Options Valuation, new Option structures like SARs, Cashless exercise, etc., we have strived at being pioneers in everything we do. We felt it was time we extended our offerings beyond services into transactions.

The Partner we chose is also of our choice. ESOP Direct being a market leader and thought leader, with highly profitable debt-free financials and a unique team of deep domain experts, we were frequently approached for strategic partnerships in the last few years by Indian as well as global players. Going with a large financial services player or a global consulting company and occupy a small portion of their headcount and balance sheet was easy. We however chose to partner with Qapita, an early-stage company. Much smaller in revenues but with young promoters with big dreams and a clear road map on how to achieve them. In the Fintech space, innovation in technology is a daily affair. We chose someone who wants to be one step ahead of what customers want and competition can think of.

The terms we agreed to were also fair and reasonable. We believe we have handed over a business which gives the incoming team a solid launching pad for executing their big picture and growing ESOP Direct from strength to strength.

It is a celebration time for us Founders. The business idea which we conceived, nurtured and grew so far was ready for new parents. Nothing can be more satisfying for Founders when they find a new home where the business, their baby, can grow and achieve higher milestones. What makes the celebration sweeter is that three of our colleagues are now “Crorepatis” and a few more will join that league under the new parent – all thanks to their ESOPs in ESOP Direct. This is a feeling of huge satisfaction and pride for us. We have, to some extent, lived up to the faith and trust our employees have shown in us over the years.

Our employees have a reason to celebrate today. They have been integral and core to shaping up this baby. It is they who executed the plans, got us customers, serviced them and kept them happy. This event is a big recognition of their efforts and commitment. Deep domain expertise that we are recognised for is nothing, but this dedicated team which believed in our story and helped us fulfil it with complete trust. They are also delighted because they would play a much bigger role in the new environment where their experience and expertise would be critical for future growth of the combined business.

Our customers also have a reason to celebrate. They would now have a partner who is more proactive in providing innovative technology led service improvements and wider service

offerings. Services that would facilitate faster liquidity to option holders will ultimately help our customers make their ESOPs successful.