

DETAILS OF EMPLOYEE STOCK OPTIONS / UNITS

(Pursuant to Section 62 of the Companies Act, 2013 read with Rules made thereunder and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021)

Disclosure pursuant to Section 62 of the Companies Act, 2013 read with rules made thereunder and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 regarding stock options.

DESCRIPTION OF ESOP SCHEME:

As at March 31, 2022, the Company has following Employee Stock Option Schemes for eligible employees. In terms of the said plan, options to the employees shall vest as given in the below table.

- 1) CMS CEO Stock Option Plan, 2016;
- 2) CMS Management Stock Option Plan 2016; and
- 3) CMS Employees Stock Option Plan 2016

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by Institute of Chartered Accountants of India ("ICAI") or any other relevant accounting standards as prescribed from time to time.

The disclosures are provided in the Note to account no. 39 to the Standalone Financial Statements of the Company for the year ended March 31, 2022.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations, in accordance with 'Indian Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time:

INR 13.66 per share

C. Details related to ESOP:

| Sr. No. | Description | CMS CEO Stock Option Plan, 2016 | CMS Management Stock Option Plan 2016 | CMS Employees Stock Option Plan 2016 |
|---------|---|--|---|---|
| (i) | Description of each ESOP that existed during the year, including the general terms and conditions: | | | |
| 1. | Date of Shareholders' Approval | October 20, 2016, September 10, 2021, October 28, 2021 | October 20, 2016, August 13, 2021, September 10, 2021, October 28, 2021 | October 20, 2016, August 13, 2021, September 10, 2021, October 28, 2021 |

| | | | | |
|-------|--|---|--------------------|--------------------|
| 2. | Total number of options approved as per scheme | 98,66,667 | 25,19,366 | 4,604,444 |
| 3. | Vesting Requirements | As per ESOP Scheme | As per ESOP Scheme | As per ESOP Scheme |
| 4. | The pricing formula/Exercise Price | Fair Market Value as approved by the Nomination and Remuneration Committee in concurrence with our Board as on the date of the grant of options. | | |
| 5. | Maximum Term of Options Granted | 3.7 years. | | |
| 6. | Sources of Shares | New shares to be issued | | |
| 7. | Method used for Accounting of ESOP | Options have been valued based on fair value method as prescribed under Ind AS 102, Share based payments, using Black Scholes valuation option pricing model by using the fair value of the Company's shares on the grant date and assumptions. | | |
| 8. | Variations of terms of options | Changes in exercise period and changes undertaken to align the Employees ESOP 2016 with SBEBSE Regulations 2021 | | |
| (ii) | Method used to account for ESOS - Intrinsic or fair value: Fair value | | | |
| 1. | Difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value | Not applicable as the company has accounted for the stock options at fair value using the black scholes merton model based on assumptions detailed in note 39 to standalone financial statements | | |
| 2. | The impact of this difference on profits and on EPS of the Company | | | |
| (iii) | The movement of options during the year are as follows: | | | |
| 1. | No. of options outstanding at the beginning of the year | 98,66,667 | 0 | 35,21,750 |
| 2. | No. of options granted during the year | 0 | 25,19,366 | 12,00,400 |

| | | | | |
|------|--|--------------|-----------|--------------|
| 3. | No. of options forfeited/ lapsed during the year | 0 | 0 | 400,243 |
| 4. | No. of options vested during the year | 0 | 0 | 30,59,007 |
| 5. | No. of options exercised during the year | 40,00,000 | 0 | 11,52,747 |
| 6. | No. of shares arising as a result of exercise of options | 40,00,000 | 0 | 11,52,747 |
| 7. | Money realised by exercise of options (₹). If scheme is implemented directly by the Company | 49,20,00,000 | 0 | 14,56,36,061 |
| 8. | No. of options outstanding at the end of the year | 58,66,667 | 25,19,366 | 31,69,160 |
| 9. | No. of options exercisable at the end of the year | 58,66,667 | 0 | 19,06,261 |
| (iv) | Weighted-average exercise prices ("WAEP") and weighted-average fair values("WAFV") of Options : The trading on equity shares of the Company commenced w.e.f. 31 st December, 2021 on BSE Ltd and National Stock Exchange of India Limited and hence the market value of stocks was not available at the time of pricing of ESOP. The pricing of ESOPs have been done on the basis of Valuation report using the Fair Value method. | | | |
| 1. | Where the exercise price is less than the market price of the stock | NA | NA | NA |
| 2. | Where the exercise price equals the market price of the stock | NA | NA | NA |

| | | | | | |
|-----|---|-----|--|---|--|
| 3. | Where the exercise price is more than the market price of the stock | NA | NA | NA | |
| (v) | Employee wise details (name of employee, designation, number of Options granted during the year, exercise price) of Options: | | | | |
| 1. | Senior Managerial Personnel | NIL | Rajiv Kaul: 2,519,366 (exercise price Rs. 165 Per option) (Executive Vice Chairman & WTD & CEO) | Pankaj Khandelwal (Chief financial officer) | 125,000 (exercise price Rs. 165 Per option) |
| | | | | Anush Raghavan (President- Cash Management business) | 175,000 (exercise price Rs. 165 Per option) |
| | | | | Rohit Kilam (CTO) | 110,000 (exercise price Rs. 165 Per option) |
| | | | | Sanjay Singh (CHRO) | 160,000 (exercise price Rs. 165 Per option) |
| 2. | Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year | - | - | Deepak Bhagchandaney | 105,000 (exercise price Rs. 165 Per option) |
| | | | | Arindam Biswas | 75,000 (exercise price Rs. 165 Per option) |
| | | | | Mrydul Vats | 75,000 (exercise price Rs. 165 Per option) |
| 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. | NIL | NIL | NIL | |

| (vi) | A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information: | |
|------|---|---|
| 1. | Weighted-average | <p>Refer note 39 to the notes to standalone financials statement for FY 2021- 22 for description of method and significant assumptions used to estimate fair value of options granted during FY 2021-22</p> |
| 2. | Values of share price | |
| 3. | Exercise price | |
| 4. | Expected Volatility | |
| 5. | Expected option life | |
| 6. | Expected dividends | |
| 7. | The risk-free interest rate | |
| 8. | Any other inputs to the model | |
| 9. | The method used and the assumptions made to incorporate the effects of expected early exercise; | |
| 10. | How expected volatility was determined, including an explanation of the extent to which expected volatility was Based on historical volatility; | |

Place: Mumbai
Date: May 9, 2022

Sd/-
Ashish Agrawal
Director
DIN: 00163344

For and on behalf of the Board
CMS Info Systems Limited

Sd/-
Rajiv Kaul
Executive Vice-chairman & CEO
DIN: 02581313