

CMSINFO/2304/007

April 20, 2023

To,

BSE Limited
Listing Department,
1st Floor, PJ Towers,
Dalal Street,
Fort, Mumbai – 400 001
Scrip Code: 543441

National Stock Exchange of India Limited
Listing Department,
Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex, Bandra(East),
Mumbai – 400 051
Symbol: CMSINFO

Sub: Submission of Postal Ballot Notice

Dear Sir/Madam,

With reference to the captioned subject and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we enclose herewith a copy of Postal Ballot Notice along with the Explanatory Statements (“Postal Ballot Notice”) dated April 20, 2023 seeking approval of Shareholders of the Company for approval of the Resolutions as set out in the Postal Ballot notice. The Postal Ballot Notice is being sent to the Shareholders of CMS Info Systems Limited (“the Company”) to seek approval by way of electronic voting (“e-voting”) in respect of the special business as set out therein.

In accordance with the applicable circulars of Ministry of Corporate Affairs (“MCA Circulars”) and provisions of Listing Regulations, the aforesaid Notice is being sent only by email to all the Shareholders of the Company who have registered their email addresses with the Depository(s)/ Registrar and Share Transfer Agent (“RTA”) or respective Depository Participants whose names are recorded in the Register of Members / Beneficial Owners as on the Cut-off date i.e. Friday, April 14, 2023. During the e-voting period, members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. Friday, April 14, 2023 may cast their votes electronically only through e-voting.

The Company has engaged the services of National Securities Depository Limited (“NSDL”), for providing e-voting facility to its members and details of the calendar of events are as follows:

Sr. No.	Particulars/Events	Dates/time
1.	Cut-off date for determining the members eligible for e- voting and for determining members to whom Postal Ballot Notice will be sent	Friday, April 14, 2023
2.	Remote e-Voting Start Date	Friday, April 21, 2023
3.	Remote e-Voting Start Time	9.00 am IST
4.	Remote e-Voting End Date	Saturday, May 20, 2023
5.	Remote e-Voting End Time	5.00 pm IST
6.	Date on which Resolution will be deemed to be passed	Saturday, May 20, 2023

7.	Date of declaration of the result by the Chairperson/ person authorized by the Chairperson	On or before Monday, May 22, 2023
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The Notice is also available on the website of the Company at www.cms.com.

You are requested to kindly take the same on your record.

Thanking You,

For **CMS Info Systems Limited**

CS Praveen Soni
Company Secretary & Compliance Officer
(Membership No. FCS 6495)

Encl: As above



CMS INFO SYSTEMS LIMITED

Regd Off: T-151, Tower No. 10, Railway Station Complex, 5th Floor, Sector-11, CBD Belapur, Navi
Mumbai – 400 614

Tel: +91-22- 4889 7400 Email: investors@cms.com
CIN: L45200MH2008PLC180479 Website: www.cms.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

NOTICE is hereby given that pursuant to the provisions of Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the "Rules") as amended, Secretarial Standard-2 on General Meetings (the "SS-2"), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), guidelines prescribed by the Ministry of Corporate Affairs (the "MCA"), Government of India, for holding general meetings/conducting postal ballot process through e-voting vide General Circular Nos. 14/2020 dated 8th April 2020, 17 /2020 dated 13th April 2020, 22/2020 dated 15th June 2020, 33/2020 dated 28th September 2020, 39/2020 dated 31st December 2020, 10/2021 dated 23rd June 2021, 20/2021 dated 8th December, 2021, 02/2022 dated 5th May, 2022 and 11/2022 dated December 28, 2022 (the "MCA Circulars") and any other applicable laws and regulations, the following Special resolution is proposed to be passed by the Members of CMS Info Systems Limited (the "Company") through Postal Ballot by way of voting through electronic means ("e- voting") only.

In compliance with the provisions of Sections 108 and 110 of the Act, read with the Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, the MCA Circulars and Regulation 44 of the Listing Regulations read with Circular dated December 9, 2020 issued by the Securities and Exchange Board of India on e-voting facility provided by Listed Entities as amended from time to time the Company is offering facility of e-voting to all the Members to enable them to cast their votes electronically only. For the purpose of e-voting, the Company has engaged the services of National Securities Depository Limited ('NSDL') and Members are requested to follow the procedure as stated in the notes for casting of votes by e-voting.

The Board of Directors of the Company has appointed CS Mukesh Siroya (ICSI Membership No. FCS 5682), M/s. M Siroya & Company, Practicing Company Secretaries, Mumbai as the Scrutinizer for conducting the Postal Ballot voting process through e-voting in a fair and transparent manner.

The e-voting period commences from 9:00 A.M. (IST) on Friday, April 21, 2023 and ends at 5:00 P.M.

(IST) on Saturday, May 20, 2023. The Scrutinizer will submit the report to the Chairperson of the Company, or any person authorized by the Chairperson upon completion of the scrutiny of the votes cast through e-voting.

The results of the Postal Ballot will be announced on or before Monday, May 22, 2023. The said results along with the Scrutinizer's Report would be intimated to BSE Limited and National Stock Exchange of India Limited, where the Equity Shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website www.cms.com and on the website of NSDL www.evoting.nsdl.com

SPECIAL BUSINESS

1. To re-appoint Mr. Rajiv Kaul as Executive Vice Chairman, Whole-Time Director and CEO of the Company and approve his terms of appointment including remuneration

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other rules made thereunder and applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other law applicable to the Company (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and in accordance with relevant provisions of the Articles of Association of the Company and upon recommendations of Nomination & Remuneration Committee (NRC) and the resolution passed by the Board of Directors of the Company (hereinafter referred to as the 'Board') and subject to such other approval(s), permission(s) and sanction(s) as may be required in this regard, consent and approval of the Members be and is hereby accorded for re-appointment of Mr. Rajiv Kaul (DIN: 02581313) as Executive Vice Chairman, Whole-Time Director & CEO for a period of 4 years & 4 months with effect from April 1, 2023 to July 31, 2027 not liable to retire by rotation and for payment remuneration, and such other benefits, facilities, perquisites & amenities, bonus, performance based incentives, ESOPs, etc. (including the remuneration to be paid in the event of loss or inadequacy of profits or otherwise), notwithstanding that such remuneration may exceed the limits specified under Section 197 read with Schedule V of the Act as detailed in the Employment Agreement ("Employment Agreement") and in the explanatory statement attached hereto;

RESOLVED FURTHER THAT consent of the Members be and is hereby accorded for payment of maximum managerial remuneration to Mr. Rajiv Kaul as set out in detail in the explanatory statement annexed to this notice during his re-appointed tenure, which may exceed 5% of the net profits of the Company, as the case may be, computed in the manner as laid down in Section 198 of the Companies Act, 2013, in the event of the exercise by Mr. Rajiv Kaul of some or all of the Employee Stock Options granted under any Employee Stock Option Plans, as are in force or as may be announced by the Company up to the exercise period of ESOP policy;

RESOLVED FURTHER THAT consent of the Members be and is hereby accorded for payment of managerial remuneration limit payable to (i) all the Whole-Time Directors / Managing Director during the re-appointed tenure of Mr. Rajiv Kaul, even if the same may exceed the limit of 10% of the net profits of the Company, being maximum limit of managerial remuneration payable to all the Executive Directors of the Company in a financial year; (ii) all the Directors including Whole-Time Director and Non-Executive Directors, during the re-appointed tenure of Mr. Rajiv Kaul, may exceed

11% of the net profits of the Company, being maximum limit of managerial remuneration payable to all the Directors of the Company in a financial year, computed in the manner as laid down in Section 198 of the Companies Act, 2013, in the event of the exercise by Mr. Rajiv Kaul of some or all of the Employee Stock Options granted under any Employee Stock Option Plans, as are in force or as may be announced by the Company up to the exercise period of ESOP policy;

RESOLVED FURTHER THAT the Board of Directors / Nomination & Remuneration Committee be and is hereby authorised to vary, alter and modify the terms and conditions of employment of Mr. Rajiv Kaul including his remuneration structure within the maximum limits approved by the Members;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable in connection therewith or incidental thereto to give effect to this resolution.”

2. To approve CMS Employees Stock Option Plan 2023 (“CMS INFO ESOP 2023”)

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Memorandum and Articles of Association of the Company and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI (SBEBSE) Regulations”) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), including any statutory modification(s) or re-enactment of the Act for the time being in force and subject to such other approvals, permissions and sanctions as may be necessary, consent of the members of the Company be and is hereby accorded to approve CMS Employees Stock Option Plan 2023 (hereinafter referred to as “CMS INFO ESOP 2023” or “Plan” or “Scheme”) the salient features of which are detailed in the Explanatory Statement to this Notice and to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include the Nomination & Remuneration Committee of the Company (“NRC”) which also acts as the Compensation Committee, to exercise its powers, including the powers, conferred by this resolution and/or such other persons as may be authorized in this regard by the Board and/or NRC, to create, offer, grant, issue and allot at any time to or to the benefit of such person(s), exclusively working in India or outside India, who are in employment of the Company, including any Director of the Company [other than Promoter(s) or persons belonging to the Promoters Group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company], whether whole-time or otherwise, not exceeding 10,075,000 (Ten Million Seventy Five Thousand) options exercisable into not more than 10,075,000 (Ten Million Seventy Five Thousand equity shares of the Company, under CMS INFO ESOP 2023, with every 1 (One) Option giving the right but not obligation to the holder, to subscribe to, 1 (One) fully paid-up Equity Share of Face Value Rs. 10 (Ten) each, of the Company, at such price, in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board/NRC in accordance with the provisions of the Scheme, SEBI SBEBSE Regulations and in due compliance with such other applicable laws or guidelines issued by the relevant authority(ies), as may be applicable;

RESOLVED FURTHER THAT the Board/NRC be and are hereby authorized on behalf of the Company to make and carry out any modifications, changes, variations, alterations or revisions in the Scheme or

to suspend, withdraw or revive the CMS INFO ESOP 2023 Scheme, in accordance with applicable laws prevailing from time to time, by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose including taking all the necessary steps for listing of the equity shares allotted on the Stock Exchanges as per the provisions of the SEBI Listing Regulations or any other applicable laws/regulations with the concerned Stock Exchanges, as and when required and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company.

RESOLVED FURTHER THAT the Board/NRC be and are hereby further authorized to issue and allot Equity Shares in one or more tranches upon exercise of the options from time-to-time in accordance with the Scheme and such equity shares shall rank pari-passu in all respects with the then existing Equity Shares of the Company;

RESOLVED FURTHER THAT in case of any Corporate Action(s) such as rights issues, bonus issues, change in capital structure, merger / demerger, sale of division/undertaking or other re-organization, and restructuring, if any, additional Equity Shares are required to be issued by the Company to the Shareholders ("Additional Shares"), the ceiling as aforesaid of 10,075,000 (Ten Million Seventy Five Thousand) options and Equity Shares respectively to be issued and allotted shall be deemed to increase in proportion of such Additional Shares issued, in order to facilitate making a fair and reasonable adjustment;

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the price of stock option payable by the option grantees under CMS INFO ESOP 2023 shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- (Rupees Ten only) per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said option grantees and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly;

RESOLVED FURTHER THAT the Company shall confirm to the accounting policies prescribed from time-to-time under any applicable laws and regulations to the extent relevant and applicable to CMS INFO ESOP 2023;

RESOLVED FURTHER THAT any Director or the Company Secretary be and is hereby severally authorized to do all such acts, deeds and things, as they may in their absolute discretion deem necessary, being incidental to the effective implementation and administration of CMS INFO ESOP 2023, as also to prefer applications to the appropriate authorities, as also to initiate all necessary actions for the preparation and filing, if required, with SEBI/Stock Exchange(s), and all other documents required to be filed in connection therewith and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard."

3. To approve CMS Employees Stock Option Plan 2023 ("CMS INFO ESOP 2023") for Holding Company and / or Subsidiary Company (ies):

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act 2013 ("the Act") read with the Memorandum and Articles of Association of the Company and Securities and Exchange Board of India (Share Based Employee Benefits and

Sweat Equity) Regulations, 2021 (“SEBI (SBEBSE) Regulations”) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), including any statutory modification(s) or re-enactment of the Act for the time being in force and subject to such other approvals, permissions and sanctions as may be necessary, consent of the members of the Company be and is hereby accorded to extend the benefits and applicability of the CMS Employees Stock Option Plan 2023 (hereinafter referred to as “CMS INFO ESOP 2023” or “Plan” or “Scheme”) referred to in Resolution No. 1 and 2, to such person(s), exclusively working in India or outside India, who are in employment, whether whole time or otherwise, of existing or future Holding Company and Subsidiary Company(ies) of the Company, including any Director of the Company [other than Promoter(s) or persons belonging to the Promoters Group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company], whether whole-time or otherwise, not exceeding 10,075,000 (Ten Million Seventy Five Thousand) options exercisable into not more than 10,075,000 (Ten Million Seventy Five Thousand) equity shares of the Company, under CMS INFO ESOP 2023, with every 1 (One) Option giving the right but not obligation to the holder, to subscribe to, 1 (One) fully paid-up Equity Share of Face Value Rs. 10 (Ten) each, of the Company, at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board/NRC in accordance with the provisions of the Scheme, SEBI SBEBSE Regulations and in due compliance with such other applicable laws or guidelines issued by the relevant authority(ies), as may be applicable;

RESOLVED FURTHER THAT the Board/NRC be and are hereby authorized on behalf of the Company to make and carry out any modifications, changes, variations, alterations or revisions in the Scheme or to suspend, withdraw or revive the CMS INFO ESOP 2023 Scheme, in accordance with applicable laws prevailing from time to time, by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose including taking all the necessary steps for listing of the equity shares allotted on the Stock Exchanges as per the provisions of the SEBI Listing Regulations or any other applicable laws/regulations with the concerned Stock Exchanges, as and when required and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company;

RESOLVED FURTHER THAT the Board/NRC be and are hereby further authorized to issue and allot Equity Shares in one or more tranches upon exercise of the options from time-to-time in accordance with the Scheme and such equity shares shall rank pari-passu in all respects with the then existing Equity Shares of the Company;

RESOLVED FURTHER THAT in case of any Corporate Action(s) such as rights issues, bonus issues, change in capital structure, merger / demerger, sale of division/undertaking or other re-organization, and restructuring, if any, additional Equity Shares are required to be issued by the Company to the Shareholders (“Additional Shares”), the ceiling as aforesaid 10,075,000 (Ten Million Seventy Five Thousand) options and Equity Shares respectively to be issued and allotted shall be deemed to increase in proportion of such Additional Shares issued, in order to facilitate making a fair and reasonable adjustment;

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the price of stock option payable by the option grantees under CMS INFO ESOP

2023 shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- (Rupees Ten only) per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said option grantees and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly;

RESOLVED FURTHER THAT the Company shall confirm to the accounting policies prescribed from time-to-time under any applicable laws and regulations to the extent relevant and applicable to CMS INFO ESOP 2023;

RESOLVED FURTHER THAT any Director or the Company Secretary be and is hereby severally authorized to do all such acts, deeds and things, as they may in their absolute discretion deem necessary, being incidental to the effective implementation and administration of CMS INFO ESOP 2023, as also to prefer applications to the appropriate authorities, as also to initiate all necessary actions for the preparation and filing, if required, with SEBI/Stock Exchange(s), and all other documents required to be filed in connection therewith and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.”

4. Grant of Stock Options to Mr. Rajiv Kaul, Executive Vice Chairman, Whole-Time Director & CEO, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversion) of the company at the time of grant of Option

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with Regulation 6(3) of the SEBI Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI (SBESE) Regulations”) consent of the members of the company be and is hereby accorded for the grant of 6,050,000 (Six Millions Fifty Thousand only) Stock Options under CMS Employees Stock Option Plan 2023 (hereinafter referred to as “CMS INFO ESOP 2023” or “Plan” or “Scheme”) referred to in Resolution No. 1 and 2, convertible into equivalent number of equity shares of the Company to Mr. Rajiv Kaul, Executive Vice Chairman, Whole-Time Director & CEO during any year during the tenure of his re-appointment which is exceeding 1% of the issued capital of the Company at the time of grant of option;

RESOLVED FURTHER THAT the Board/NRC be and are hereby authorized on behalf of the Company to make and carry out any modifications, changes, variations, alterations or revisions in the Scheme or to suspend, withdraw or revive the CMS INFO ESOP 2023 Scheme, in accordance with applicable laws prevailing from time to time, by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose including taking all the necessary steps for listing of the equity shares allotted on the Stock Exchanges as per the provisions of the SEBI Listing Regulations or any other applicable laws/regulations with the concerned Stock Exchanges, as and when required and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company;

RESOLVED FURTHER THAT the Board/NRC be and are hereby further authorized to issue and allot Equity Shares in one or more tranches upon exercise of the options from time-to-time in accordance

with the Scheme and such equity shares shall rank pari-passu in all respects with the then existing Equity Shares of the Company;

RESOLVED FURTHER THAT in case of any Corporate Action(s) such as rights issues, bonus issues, change in capital structure, merger / demerger, sale of division/undertaking or other re-organization, and restructuring, if any, additional Equity Shares are required to be issued by the Company to the Shareholders ("Additional Shares"), the ceiling as aforesaid of 10,075,000 (Ten Million Seventy Five Thousand) options and Equity Shares respectively to be issued and allotted shall be deemed to increase in proportion of such Additional Shares issued, in order to facilitate making a fair and reasonable adjustment;

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the price of stock option payable by the option grantees under CMS INFO ESOP 2023 shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- (Rupees Ten only) per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said option grantees and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly;

RESOLVED FURTHER THAT the Company shall confirm to the accounting policies prescribed from time-to-time under any applicable laws and regulations to the extent relevant and applicable to CMS INFO ESOP 2023;

RESOLVED FURTHER THAT any Director or the Company Secretary be and is hereby severally authorized to do all such acts, deeds and things, as they may in their absolute discretion deem necessary, being incidental to the effective implementation and administration of CMS INFO ESOP 2023, as also to prefer applications to the appropriate authorities, as also to initiate all necessary actions for the preparation and filing, if required, with SEBI/Stock Exchange(s), and all other documents required to be filed in connection therewith and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard."

By order of the Board of Directors
For CMS Info Systems Limited

Sd/-
CS Praveen Soni
Company Secretary & Compliance Officer
Membership No.: FCS 6495

Place: Mumbai

Date: April 20, 2023

NOTES:

1. The Explanatory Statement pursuant to the provisions of Sections 102 and 110 of the Companies Act, 2013 ('the Act') read with the Companies (Management and Administration) Rules, 2014 setting out all the material facts and reasons in respect of the business set out at

Resolution No. 1 to 4 in the Postal Ballot Notice dated Thursday, April 20, 2023 is annexed hereto and forms part of Postal Ballot Notice.

2. In compliance with the provisions of Sections 102, 108 and 110 of the Act and Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ('the Rules'), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company is pleased to provide voting by electronic means ('remote e-voting') facility to the Members, to enable them to cast their votes electronically. The Company has appointed National Securities Depository Limited ('NSDL') for facilitating remote e-voting facility to its Members, as the authorized e-voting agency. As per Section 110 and other applicable provisions of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended and guidelines prescribed by the Ministry of Corporate Affairs for holding general meetings/ conducting postal ballot process, vide General Circulars No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020, No. 33 /2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10/2021 dated June 23, 2021, No. 20/2021 dated December 8, 2021, No. 3/2022 dated May 5, 2022 and 11/2022 dated December 28, 2022 ('MCA Circulars'), this Notice is being sent only by e-mail to all the members whose e-mail IDs are registered with the Company, Depositories, Depository Participants ('DP'), Registrar and Transfer Agent - Link Intime India Private Limited ('Link Intime') and whose name appear in the register of members/ list of beneficial owners as on Friday, April 14, 2023 ('Cut-off Date'). The physical copy of the Postal Ballot Notice is not being sent to the Members in compliance with the provisions of the applicable circulars. It is however, clarified that all members of the Company as on the Cut-off Date (including those members who may not have received this Notice due to non-registration of their e-mail IDs with the Company or the Depository) shall be entitled to vote in relation to the resolution specified in this Notice in accordance with the process specified. Any person who is not a Member as on Cut-off date should treat the Postal Ballot Notice for information purpose only.
3. Shareholders whose email IDs are not registered, are requested to contact the Depository or Link Intime at rnt.helpdesk@linkintime.co.in and send a request letter signed by all the Members along with self-attested copies of PAN Card and address proof to register their email ids. Shareholders may note that this notice is also available on the Company's website at www.cms.com as well as on NSDL website at www.evoting.nsdl.com. The Company hereby requests all its members to register their email addresses, if not yet registered, to promote green initiative and to enable the Company to provide all communications to the members through email.
4. For receiving copy of postal ballot notice electronically, the Members who have not yet registered their email addresses are requested to send an email to investors@cms.com by mentioning the Shareholder Name, Folio No./ DP ID and Client ID.
5. In compliance with provisions of Sections 108 and 110 of the Act, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations and the Secretarial Standards on General Meetings ('SS-2') issued by the

Institute of Company Secretaries of India on General Meetings, the Company is pleased to provide e-voting facility to the Members to exercise their votes electronically and vote on the resolution through the e-voting service facility provided by NSDL.

6. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., directly to Link Intime. Changes intimated to the DP will then be automatically reflected in the Company's database. Members holding shares in physical form are requested to intimate such changes to the Company's Registrar and Transfer Agent, Link Intime India Private Limited at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083 quoting their folio number.
7. Voting rights will be reckoned on the paid-up value of equity shares registered in the name of the Members on Friday, April 14, 2023. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date of Friday, April 14, 2023 will be entitled to cast their votes.
8. The documents referred to in Explanatory Statement will be available for inspection. Members seeking to inspect the same can send an email to investors@cms.com.
9. The e-voting period commences on from 9:00 A.M. (IST) on Friday, April 21, 2023 and ends at 5:00 P.M. (IST) on Saturday, May 20, 2023. During this period, Members of the Company, holding equity shares either in physical form or in dematerialized form, as on the Cut-Off date i.e. Friday, April 14, 2023, may cast their vote by e-voting. The e-voting module shall be disabled by NSDL after the aforesaid date and time for voting. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. A Member cannot exercise his vote by proxy on Postal Ballot
10. The Resolution, if passed by requisite majority, will be deemed to be passed on the last date specified for remote e-voting i.e. Saturday, May 20, 2023. Further, the resolution passed through this postal ballot shall be deemed to have been passed by the members at a General Meeting.
11. Instructions for Members for voting electronically are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

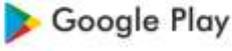
Step 1: Access to NSDL e-Voting system

- A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

	<p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;">   </div> <div style="display: flex; justify-content: center; align-items: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user

	ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - d) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to siroyam@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Prajakta Pawle at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@cms.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@cms.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

EXPLANATORY STATEMENT

Pursuant to Section 102 of the Companies Act, 2013 ("Act")

The following Explanatory Statement sets out all material facts relating to the business mentioned in the accompanying Notice dated April 20, 2023.

ITEM NO. 1:

Based on the strong performance of the Company under the leadership of Mr. Rajiv Kaul and other key factors as elaborated below, Nomination & Remuneration Committee ("NRC") at its meeting held on March 30, 2023 recommended the reappointment of Mr. Rajiv Kaul. The Board at its Meeting held on March 30, 2023 approved the re-appointment of Mr. Rajiv Kaul as Executive Vice Chairman, Whole-Time Director & CEO of the Company for a further period of 4 years and 4 months with effect from April 1, 2023 to July 31, 2027 not liable to retire by rotation on the terms and conditions including remuneration, as contained in the agreement dated March 30, 2023, subject to the approval of the shareholders.

The key factors that were considered by the Nomination & Remuneration Committee while recommending the re-appointment of Mr. Rajiv Kaul are given below:

1. Mr. Rajiv Kaul, has been associated with the Company since July 1, 2009 and is currently responsible for defining the long term business strategy, monitoring the execution of same and provide overall leadership as Executive Vice Chairman Whole-Time Director & CEO.
2. Under his leadership, Company has consistently delivered strong results despite battling turbulence and unprecedented challenges posed by the pandemic and other challenges to the economy and industry. He is instrumental in transforming the company into one of the leading business services companies in India.
3. The Company has achieved its highest ever revenues in Financial Year 2021-22 under his guidance with strong growth in all the key segments. Under his leadership company has continuously expanded its addressable market by entering into new business line and scaling them, point in case – AIOT based remote monitoring which company had started in midst of Covid and has scaled up to 20,000+ sites as of December 2022.
4. He has been at the forefront of a robust talent and leadership succession framework and has nurtured and groomed talent for leadership roles within the Company. He encourages a strong meritocratic culture with focus on accountability, empowerment and performance management.
5. In light of the foregoing factors, it is important to secure the continuity and stability of the current leadership to ensure the best interests of the Company and its stakeholders, in terms of the provisions of the Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Articles of Association of the Company, the

Nomination and Remuneration Committee and the Board of Directors have at their meetings held on March 30, 2023 have approved re-appointment of Mr. Rajiv Kaul as Executive Vice Chairman Whole-time Director & CEO of the Company for a further period of 4 years and 4 months i.e. from April 1, 2023 to July 31, 2027.

The main terms and conditions of the re-appointment of Mr. Rajiv Kaul as Executive Vice Chairman Whole-time Director & CEO are as under:

1. Period:

From April 1, 2023 to July 31, 2027

2. Remuneration:

Particulars	Remuneration
Fixed Pay (inclusive of salary, allowances and Provident fund/NPS) payable on monthly basis	With effect from April 1, 2023 till the expiry of tenure of his re-appointment Mr. Rajiv shall be paid a minimum annual compensation of ₹ 6,00,00,000/- (Rupees Six Crores) on Cost to Company (CTC) basis with an annual increase as may be recommended by the Nomination & Remuneration Committee and approved by the Board.
Perquisites and Benefits	<p>Rajiv Kaul, shall be eligible for perquisites, reimbursements and other benefits as per the terms and conditions stated in the Employment Agreement dated March 30, 2023 including;</p> <ul style="list-style-type: none"> • Housing and relocation - costs for movers and packers for household goods, brokerage for housing, lease preparation, registration fees, stamp duty for housing on actual basis once in three Fiscals, including for a period of six months from the date of termination or resignation. • Paid and medical leave as set out in Employment agreement. • Company vehicle to be provided along with chauffer services including all incidental and statutory costs for running and maintaining the vehicle, in relation thereto. • Club membership – 2 club memberships as corporate membership to be subscribed by the Company or reimbursement of expenses for membership availed in an individual capacity. • Applicable taxes payable for housing and relocation, transportation and club membership to be borne by the Company. • Payment of premium for medical insurance covering including family (spouse, dependents, children, parents) and premium for death and disability insurance as per Company policy during the tenure of re-appointment and for a period of 2 years thereafter.

Particulars	Remuneration
	<ul style="list-style-type: none"> • Payment of all statutory dues and benefits as may be applicable as part of the compensation. • Re-imbursment of expenses - shall be eligible for re-imbursment of all business expenses incurred for the purpose of business of the Company. Shall also be eligible for re-imbursment of all international and domestic travel expenses for the purpose of business of the Company.
Variable Pay (Performance Linked Incentive) to be paid annually after the end of the financial year	With effect from April 1, 2023 till the expiry of tenure of his re-appointment Mr. Rajiv shall be entitled to an Annual bonus in the form of Performance Linked Incentive of 60% to 120% calculated on the basis of cost to company as may be recommended by the Nomination & Remuneration Committee and approved by the Board, based on and subject to the satisfaction of certain targets with respect to Adjusted profit before tax of the Company, more specifically described in the employment agreement.
Stock Options	In addition to the above, Mr.Rajiv Kaul shall be entitled for such number of stock options as may be granted to him under any ESOP plan of the Company with the prior approval of Nomination & Remuneration Committee

3. Service contracts, notice period, severance fees;

The details of terms and conditions of termination of Employment are broadly covered in the Employment Agreement dated March 30, 2023.

Minimum Remuneration

In the event of absence of profits and/ or inadequacy of profits, in any financial year during the currency of tenure of Mr. Rajiv Kaul as Executive Vice Chairman Whole-Time Director & CEO of the Company, the payment of above remuneration by way of fixed pay, variable pay (Performance Linked Incentives), perquisites, allowances all of the Employee Stock Options granted under any Employee Stock Option Plans, as are in force or as may be announced by the Company and other benefits shall be made notwithstanding such remuneration may exceed the 5% limit prescribed under Section 197 read with Schedule V of the Companies Act, 2013 or under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or under any other law for the time being in force, if any.

Further, the remuneration payable to (i) Mr. Rajiv Kaul during his re-appointed tenure may exceed the limit of 5% of the net profits of the Company, being maximum limit of managerial remuneration payable to one Executive Director of the Company in a financial year; (ii) all the Whole-Time Directors / Managing Directors during the re-appointed tenure of Mr. Rajiv Kaul, may exceed the limit of 10% of the net profits of the Company, being maximum limit of managerial remuneration payable to all the Executive Directors of the Company in a financial year; (iii) all the Directors including Whole-Time Directors and Non-Executive Directors, during the re-appointed tenure of Mr. Rajiv Kaul, may exceed 11% of the net profits of the Company, being maximum limit of managerial remuneration payable to all the Directors of the Company in a financial year, computed in the manner as laid down in Section 198 of the Companies Act, 2013, in the event of the exercise

by Mr. Rajiv Kaul of some or all of the Employee Stock Options granted under any Employee Stock Option Plans, as are in force or as may be announced by the Company up to the exercise period of ESOP policy.

As on date, Mr. Rajiv Kaul is entitled to exercise 58,66,667 and 25,19,366 stock options vested and not exercised so far under CMS CEO stock option plan 2016 and CMS Management stock option plan 2016 respectively. The perquisite value of such options at the time of exercise of such options is treated as a perquisite and accordingly, will be disclosed as the total remuneration of Mr. Rajiv Kaul in the respective years.

Pursuant to the provisions of Section 197 read with Schedule V to the Act, in respect of the payment of Managerial Remuneration in case of no profits / inadequate profits as calculated under Section 198 of the Act, the Company may pay such remuneration over the ceiling limit as specified in Schedule V, provided the Members approval by way of a Special Resolution has been taken for payment of Minimum Remuneration for a period not exceeding three years, compliance with the disclosure requirements and other conditions stated therein.

In view of the foregoing factors, the approval of the members is being sought for payment of remuneration to Mr. Rajiv Kaul from April 1, 2023 to March 31, 2026, as may be permitted under applicable laws, in case of absence of profits and/ or inadequacy of profits or otherwise, in the Company.

Statement containing additional information as required under schedule V to the Companies Act, 2013.

I. General Information:

(1) Nature of Industry:

Cash Management, Supply and Maintenance of ATMs and other activities including card personalization.

(2) Date or expected date of commencement of commercial production: 26th March, 2008

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

(4) Financial Performance based on given indicators:

(Amount Rs. in Million except EPS)

Financial year	2021-22	2020-21	2019-20
Gross Revenue	14,077	11,309	11,621
Profit before depreciation, amortization, finance costs, exceptional items and tax	3,866	2,763	2,362

Profit after Tax	2,135	1,517	1,277
Earnings per share (EPS)	14.35	10.25	8.63

Company is performing well under the able leadership of Rajiv and as per audited figures for the year ending on 31-03-2022 Company has achieved the gross revenue from operation of around Rs. 14,076.69 million which resulted into Profit before tax of around Rs. 2,849.20 million.

(5) Foreign Investments or collaborations, if any:

Sion Investment Holdings Pte. Limited, is holding company of the Company which holds 9,30,11,975 Equity shares aggregating to 60.24% of Paid-up Share Capital of the Company.

II. Information about the appointee:

(1) Background Details:

Mr. Rajiv Kaul is the Executive Vice Chairman, Whole Time Director and CEO of CMS Info Systems Limited ("CMS"). He has been associated with CMS since July 1, 2009 and is currently responsible for its overall management. He holds a bachelor's degree in engineering specialising in computer science from Birla Institute of Technology, Mesra and a post-graduate diploma in business management specialising in marketing and finance with a Gold Medal, from XLRI - Xavier School of Management, Jamshedpur.

He has over 30 years of experience across technology, private equity and cash management industry. Prior to his association with CMS, he was associated with Actis Capital LLP, London as a partner and with Microsoft Corporation (India) Private Limited in the capacity of General Manager and Managing Director, India from where he moved to Redmond, USA as Senior Director of emerging markets including BRIC. He was formerly a member of RBI's Committee on Currency movement which was constituted post demonetisation to review movement of fresh currency. In the past, he has been associated with National Association of Software and Service Companies as an elected member to the executive council and was also a member of the national council of CII from 2003 to 2005. He is also a member of the general council of Birla Institute of Technology, Mesra.

Mr. Rajiv is on the Board of Directors of CMS Info Systems from July 01, 2009 and has been providing his strategic and general management expertise and has been instrumental in driving company's growth coupled with improvement in profitability, scaling up of businesses to achieve market leadership and incubation of new business lines.

(2) Past remuneration:

Rs. In Millions		
Financial Year	Salary and Perquisites on cost to Company basis excluding ESOP	Perquisite Cost on Exercise of ESOP
2021-22	108.79	559.72

(3) Recognition or awards

1. Rajiv was one of the youngest Country Managers at Microsoft as well as one of the youngest CEOs in corporate India. During his leadership, Microsoft India grew from \$20M to over \$300M.
2. During his time at Microsoft, Rajiv won several global recognitions and awards, including Best Subsidiary award in 2001 and 2005.
3. While in India, he was an elected member of the Executive Council for NASSCOM and a member of the National Council for CII from 2003-2005. He has advised several State Governments on their e-Governance policy.

(4) Job Profile and his suitability

Rajiv has already served the company since 2009 and under his leadership company has consistently delivered strong results despite battling multiple macro headwinds. With track record of performance and looking at his successful professional career across the global technology and private equity sphere, his rich experience and forte in managing various business activities of the Company, Rajiv is found to be the most suitable candidate for his present position.

(5) Remuneration proposed

Minimum annual compensation of Rs. 6,00,00,000/- (Rupees Six Crores only) on a cost to company basis (subject to annual revision for the period after April 1, 2024) and such other benefits, facilities, perquisites & amenities, bonus, performance linked incentives, ESOPs etc. and other components as detailed in the Employment Agreement dated March 30, 2023.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

CMS is a leading business services company with market leadership (~40% share) in Cash Management and a fast-growing player in Managed Services and Technology Solutions segment. Rajiv previously being youngest Country Manager at Microsoft has unparalleled pedigree and global experience which is tough to compare with peers.

Further keeping in view the type of Industry, size of the company, the responsibility and profile shared by Rajiv, the proposed remuneration is competitive with the managerial remuneration paid by the other company in similar line of business to such managerial personnel.

(7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any

Apart from remuneration paid by the company for rendering of his services to the company as per his employment agreement in his professional capacity, Mr Rajiv does not hold any pecuniary relationship directly or indirectly with the company or relationship with any of the managing personnel.

III. Other Information:

(1) Reason of Loss or inadequate profits:

Company is running smoothly with constant growth oriented performance. The management is not anticipating inadequacy of profits or loss during the tenure of Mr. Rajiv Kaul. However, in the unlikely event of any macro or micro economic crisis/situation or pandemic or other exceptional circumstances, there could be inadequate profits or loss during his tenure. In such a scenario all adequate steps, as may be necessary, will be taken by the Company for improving productivity and profits like bringing efficiency in operations, reduction of costs, etc. The Company is passing a Special Resolution as a matter of abundant precaution pursuant to the provisions of Section 197(1) of the Companies Act, 2013 and Schedule V thereto.

(2) Steps taken or proposed to be taken for improvement

The company already has best in class margins in the industry but still endeavors to enhance stakeholders returns by focusing on market share gain in core businesses and looking at new adjacencies for expansions.

(3) Expected increase in productivity and profits.

As mentioned above company already has best in class margins but endeavors to improve them by focusing on increasing efficiency through use of technology , automating various processes and increasing share of value added services..

Pursuant to the provisions of Section 197 read with Schedule V to the Act relating to payment of managerial remuneration in case of absence of profits and/or inadequacy of profits (calculated under Section 198 of the Act), the Company may pay such remuneration over and above the ceiling limit as specified in Schedule V, subject to the members' approval by way of a Special Resolution for payment of minimum remuneration for a period not exceeding 3 years, compliance of disclosure requirements and other conditions stated therein. In view of the foregoing factors, the approval of the members is being sought for payment of remuneration to Mr. Rajiv Kaul from April 1, 2023 to March 31, 2026, as may be permitted under applicable laws, in case of absence of profits and/ or inadequacy of profits or otherwise, in the Company.

Mr. Rajiv Kaul is interested in the resolution as set out at item no. 1 of this Notice. Further, his relatives are also deemed interested in the respective resolutions, to the extent of their

shareholding, if any, in the Company. Save and except the above, none of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolutions.

A copy of the draft employment agreement with Mr. Rajiv Kaul would be available for inspection at the Registered Office of the Company on all working days from 11:00 a.m. IST to 4:00 p.m. IST up to Saturday, May 20, 2023.

The Board recommends the special resolution set out in Item No. 1 of the Notice for approval of the members.

Details of Director seeking re-appointment (In pursuance of Secretarial Standards on General Meetings [SS-2] and Regulation 36 of the Securities and Exchange Board of India [Listing Obligation and Disclosure Requirements] Regulations, 2015)

Name of the Director	Mr. Rajiv Kaul
Director Identification Number	02581313
Category	Executive Vice Chairman, Whole-time Director & CEO
Date of Birth	29/07/1968
Age	54
Nationality	Indian
Date of First Appointment on the Board	July 1, 2009
Relationship with Directors and KMPs	Not related to any other Director or KMP of the Company
Qualifications	As disclosed above
Expertise in specific functional area	As disclosed above
Details of Board Meetings attended by the Director during the Financial year 2022-23	5 Board Meetings
Shareholding in the Company	33,95,000 Equity Shares aggregating to 2.20 % of the Paid up capital of the Company.
Terms and Conditions of re-appointment along with remuneration	As disclosed above
Remuneration last drawn	As disclosed above
Remuneration sought to be paid	As disclosed above
Membership of Committees of CMS Info Systems Limited	<u>Chairman</u> 1. CSR Committee <u>Member</u> 1. Stakeholders Relationship Committee
List of Directorships held in other Companies	1. CMS Info Foundation 2. Artfirst Enterprises Private Limited 3. Artfirst Publications Private Limited
Membership/ Chairmanship of Committees across other Companies	Not Applicable

Listed entities from which the Director has resigned in the past three years	Nil
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Item no. 2 to 4

The Company appreciates the critical role that Employees play in the organizational growth. It strongly feels that the value created by its Employees should be shared with them. The Company believes that Equity based compensation plans are an effective tool to reward the talents working with your Company and its Group Company(ies). Therefore, it is proposed to adopt and approve CMS Employees Stock Option Plan 2023 (hereinafter referred to as “CMS INFO ESOP 2023” or “Plan” or “Scheme”), in order to continue to promote the culture of Employee ownership throughout Company and its Holding Company and Subsidiary Company(ies). Accordingly, the approval of the Members is being sought for adoption CMS INFO ESOP 2023 and creation, offer, grant, issue and allotment of the options to the eligible Employees under CMS INFO ESOP 2023 and further implementation of the said plan in the Company its Holding Company and Subsidiary of the Company(ies).

The following Explanatory Statement setting out the material facts in relation to the Special Resolutions No. 2, 3 & 4 pursuant to Section 102(1) read with Section 110 of the Companies Act, 2013 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021:

A. Brief description of the scheme:

The objective of the scheme is to attract, retain, reward and motivate employees to contribute to the growth and profitability of the Company (including holding Company and subsidiary company(ies)). (Present and Future, if any), in terms of these resolution(s) and in accordance with the provisions of the Companies Act, 2013, the rules framed thereunder, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other laws as applicable. The Plan contemplates grant of options to the employees of the Company (including holding Company and subsidiary company(ies)) (Present and Future, if any).

B. The total number of options to be offered and granted:

The total number of options that may be granted under CMS INFO ESOP 2023 shall not exceed 10,075,000 (Ten Million Seventy Five Thousand) options exercisable into not more than 10,075,000 (Ten Million Seventy Five Thousand) Equity shares of the Company of Face Value Rs. 10/- (Ten) each.

C. Identification of classes of employees entitled to participate and be beneficiaries in the Employee Stock Option Plan:

The following classes of the Employees are entitled to participate:

- (i) an Employee of the Company who has been working in India or outside India;
- (ii) a Director of the Company, whether a Whole Time Director or not, but excluding an Independent Director;
- (iii) an Employee as defined in above clauses (i) or (ii) of the holding Company and any existing or future subsidiary(ies) company, in India or outside India but does not include
 - (a) an Employee who is a Promoter or a person belonging to the Promoter Group; or
 - (b) a Director who either himself or through his relative or through any body-corporate, directly or indirectly, holds more than ten percent of the outstanding Equity Shares of the Company.

Resolutions under Item No. 2 to 4 of this Notice appropriately authorizes the Board/NRC to grant options to employees of the Holding Company and existing or future subsidiary(ies) of the Company, in any financial year.

D. Requirements of vesting and period of vesting:

All the grants made under the Scheme shall, unless otherwise specified in the Grant, vest in the following manner:

Dates of Vesting	Options to vest
12 months from the date of grant	25% of Options granted (50% on time basis and 50% on performance)
21 months from the date of grant	25% of Options granted (50% on time basis and 50% on performance)
33 months from the date of grant	25% of Options granted (50% on time basis and 50% on performance)
45 months from the date of grant	25% of Options granted (50% on time basis and 50% on performance)

E. Maximum period (subject to Regulation 18(1) or 24(1) of the Regulations, as the case may be) within which the options shall be vested:

The maximum period for vesting of the options is 45 months from the date of grant.

F. Exercise Price or pricing formula:

The Exercise Price shall be such price as determined by the Compensation Committee and be set out in each Grant Letter in accordance with applicable regulations of the SEBI:

The exercise price determined by the Compensation Committee which shall be lower of:

- a. Market price of the Shares of the Company immediately prior to the Grant Date or the Weighted Average Price of last three months trading price whichever is lower;

OR

- b. discounted market price with discount not exceeding 10% of the market price of the Shares of the Company immediately prior to the Grant Date, subject to minimum exercise price of INR 300/- per option.

G. Exercise Period and the process of Exercise:

The Exercise Period would be Three (3) years from the date of vesting. The Employee may, at any time during the Exercise Period, and subject to fulfilment of conditions laid out in CMS INFO ESOP 2023, exercise some or all of the Vested Options. The options will be exercisable by the Employees by a written application to the Company to exercise the options in such manner and on execution of such documents, as may be prescribed by the Nomination and Remuneration Committee from time to time. The stock option will lapse if not exercised within the specified exercise period.

H. Appraisal Process for determining the eligibility of the employees to ESOPs:

The appraisal process for determining the eligibility of the employee will be specified by the Nomination & Remuneration Committee and will be based on criteria such as role/designation of the employee, length of service with the Company, past performance record, future potential of the employee and/or such other criteria that may be determined by the Nomination & Remuneration Committee at its sole discretion.

I. Maximum number of options to be issued per employee and in aggregate:

The CMS INFO ESOP 2023 provides discretion to the Nomination & Remuneration Committee/Board to determine the total number of options that may be granted to the employees in any Financial Year which shall not exceed 10,075,000 (Ten Million Seventy-Five Thousand) options in aggregate. Further, the maximum number of Options that can be granted to a single Employee under CMS INFO ESOP 2023 shall not exceed 1% of the issued equity share capital of the Company at the time of grant in any year, without seeking shareholders' approval, except for Mr. Rajiv Kaul, Executive Vice Chairman Whole-time Director & CEO for which specific approval is sought from the members under Resolution 4 of this notice.

J. Maximum quantum of benefits to be provided per Employee under the Plan:

The Maximum quantum of benefits underlying the Options issued to an eligible employee can be construed to be an amount equal to the appreciation in the value of the Company's equity shares determined as on the date of exercise of stock options, on the basis of difference between the stock option Exercise Price and the Market Price of the equity shares on the exercise date.

K. Whether the scheme is to be implemented and administered directly by the Company or through a trust

The Scheme will be implemented through direct route and administered directly by the Company,

through Nomination and Remuneration Committee, without forming or involving any Trust.

L. Whether the scheme involves new issue of shares by the Company or secondary acquisition by the trust or both:

The CMS INFO ESOP 2023 involves issue of new shares against exercise of options. There is no involvement of trust and therefore there will not be any secondary acquisition.

M. The amount of loan to be provided for implementation of the scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.: **Not Applicable**

N. Maximum percentage of secondary acquisition (subject to limits specified under the Regulations) that can be made by the trust for the purposes of the scheme (s):

CMS INFO ESOP 2023 is to be implemented and administered directly by the Company without forming or involving any trust. Therefore, the Scheme does not envisage any secondary acquisition

O. Statement for conformation to the accounting policies specified in Regulation 15:

The Company shall follow the requirements including the disclosure requirements of the Accounting Standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 including any 'Guidance Note on Accounting for employee share-based Payments' issued or prescribed by the competent authorities from time-to-time.

P. Method which the Company shall use to value its options:

The Company shall use "Fair Value" method to value its options as prescribed under the Accounting Standards as applicable and notified by the appropriate authorities from time to time.

Q. Declaration:

In case, the Company opts for expensing of share-based employee benefits using the intrinsic value, 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 and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall be disclosed in the Directors' Report.

R. Period of lock-in:

The Shares issued pursuant to exercise of Options shall not be subject to any lock-in period restriction except such restrictions as may be prescribed under applicable laws including that under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as may be applicable.

S. Terms & conditions for buyback, if any, of specified securities covered under these regulations:
Not applicable.

The resolutions and the terms stated therein as also the terms stated in this Explanatory Statement herein above shall be subject to the guidelines/ regulations issued/to be issued by statutory authorities in that behalf and the Board (the NRC and/or director(s) and/ or officer(s) of the Company, to whom any power may be delegated by the Board in this regard) shall have the sole and absolute authority to modify the terms hereinabove in case of any subsequent changes in law.

Consent of the Members is sought under the applicable provisions of the Companies Act, 2013, SEBI SBEBSE Regulations and other laws, if any, by way of a Special Resolution(s) for Item No. 2 to 4 as set out above.

A draft copy of CMS INFO ESOP 2023 is available for inspection at the Company's Registered Office on all working days 11:00 a.m. IST to 4:00 p.m. till the date of passing of this resolution.

The benefits and applicability of the CMS Employees Stock Option Plan 2023 (CMS INFO ESOP 2023) referred to in Resolution No. 2 and 3, is extended to such person(s), exclusively working in India or outside India, who are in employment, whether whole time or otherwise, of existing or future Holding Company and Subsidiary Company(ies) of the Company, not exceeding 10,075,000 (Ten Million Seventy Five Thousand) options exercisable into not more than 10,075,000 (Ten Million Seventy Five Thousand) equity shares of the Company, under CMS INFO ESOP 2023, with every 1 (One) Option giving the right but not obligation to the holder, to subscribe to, 1 (One) fully paid-up Equity Share of Face Value Rs. 10 (Ten) each. Accordingly, Shareholders approval by way of special resolution is being sought for Item no. 3 of this notice to enable grant of such options.

The Nomination & Remuneration Committee at its meeting held on March 30, 2023 had proposed to grant 6,050,000 (Six Millions Fifty Thousand only) options to Mr. Rajiv Kaul, Executive Vice Chairman, Whole-Time Director & CEO total of which will exceed 1% of the issued capital of the Company. The CMS INFO ESOP 2023 also provides that no Employee shall be granted, in any financial year, Options to purchase more than or equaling 1% of the outstanding issued equity share capital as on the date of Grant, (excluding outstanding Options, warrants and conversions). Accordingly, Shareholders approval through a by way of special resolution is being sought for Item no. 4 of this notice to enable grant of such options.

Directors, Key Managerial Personnel or employees and their relatives who may be granted stock options under CMS INFO ESOP 2023 are concerned/interested in the resolution set out at Item No. 2 to 4 of the Notice to the extent of stock options to be granted pursuant to the CMS INFO ESOP 2023 and to the extent of their shareholding in the Company, if any. Mr. Rajiv Kaul and his relatives and to the extent of their shareholding in the Company, if any, are interested in the aforesaid resolution. Other than this none of the Directors, key managerial personnel or any of their relatives, are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 to 4 of the Notice.

The Board, accordingly, recommends Special Resolution as set out in Item No. 2 to 4 of this Notice, for the approval by the Members of the Company.

By order of the Board of Directors
For CMS Info Systems Limited
Sd/-
CS Praveen Soni
Company Secretary & Compliance Officer
Membership No.: FCS 6495

Place: Mumbai

Date: April 20, 2023