

**CMS INFO SYSTEMS LIMITED**

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

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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 28<sup>th</sup> September 2020, 39/2020 dated 31st December 2020, 10/2021 dated 23rd June 2021, 20/2021 dated 8<sup>th</sup> December, 2021 and 02/2022 dated 5th May, 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 Tuesday, November 29, 2022 and ends at

5:00 P.M. (IST) on Wednesday, December 28, 2022. 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 Friday, December 30, 2022. 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](http://www.cms.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

**SPECIAL BUSINESS**

**Item no. 1: AMENDMENT TO THE CMS EMPLOYEES STOCK OPTION PLAN 2016, THE CMS MANAGEMENT STOCK OPTION PLAN 2016, AND THE CMS CEO STOCK OPTION PLAN, 2016 OF THE COMPANY**

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

“**RESOLVED THAT** in accordance with the provisions of Section 62 of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions, if any, of the Act and rules made there under (including any statutory modification(s) or re-enactment thereof) and Regulation 12(2) and all other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the CMS Employees Stock Option Plan 2016 (“Employees ESOP 2016”), the CMS Management Stock Option Plan 2016 (“Management ESOP 2016”), and the CMS CEO Stock Option Plan, 2016 (“CEO ESOP 2016”) as amended from time to time and pursuant to the recommendation of the Nomination and Remuneration Committee and approved by the Board, consent of the Shareholders of the Company be and is hereby accorded to amend the Employees ESOP 2016, Management ESOP 2016, and the CEO ESOP 2016 as under:

**A. Employees ESOP 2016**

Clause	Existing Provisions	Proposed amended provisions
7.2(a)	<b>Exercise of Options while in employment</b>	
-	<p>Prior to IPO, the Vested Options can be exercised by the Employees only upon consummation of the Liquidity Event.</p> <p>Where the Liquidity Event is a Listing, the Vested Options can be exercised within 1 year from the date of such Vesting or listing whichever is later. In other cases of Liquidity Event, the Vested Options can be exercised within such period as may be prescribed by the Board in this regard.</p>	<p>Prior to IPO, the Vested Options can be exercised by the Employees only upon consummation of the Liquidity Event.</p> <p>Where the Liquidity Event is a Listing, the Vested Options can be exercised within Two (2) years from the date of such Vesting or listing whichever is later. In other cases of Liquidity Event, the Vested Options can be exercised within such period as may be prescribed by the NRC/Board in this regard.</p>

7.2(b)	<b>Exercise of Options in case of Separation</b>	
Sr. No. 1	<p><b>Vested Options</b></p> <p>In case of resignation/ separation prior to a Liquidity Event (including Listing), all Vested Options as on the date of resignation / separation can be exercised by the Option Grantee only upon or in connection with the consummation of a Liquidity Event, within such period not being less than 30 working days as shall be specified by the Board at that time.</p> <p>After an IPO, all the Vested Options as on the date of resignation can be exercised by the Option Grantee before the date on which he is relieved or expiry of the Exercise Period whichever is earlier.</p>	<p><b>Vested Options</b></p> <p>In case of resignation/ separation prior to a Liquidity Event (including Listing), all Vested Options as on the date of resignation / separation can be exercised by the Option Grantee only upon or in connection with the consummation of a Liquidity Event, within such period not being less than 30 working days as shall be specified by the Board at that time.</p> <p>After an IPO, all the Vested Options as on the date of resignation/separation can be exercised by the Option Grantee (a) before the date on which he/she is relieved; or (b) if such date of relieving falls on a date on which the exercise window is closed by the Company, then vested options can be exercised by option grantee only during duration of subsequent exercise window opened by the Company which falls immediately after the relieving date, whichever is later.</p>

## B. Management ESOP 2016

Clause	Existing Provisions	Proposed amended provisions
7.2(a)	<b>Exercise of Options while in employment</b>	
-	<p>Prior to IPO, the Vested Options can be exercised by the Option Grantee only upon consummation of the Liquidity Event.</p> <p>Where the Liquidity Event is a Listing, the Vested Options can be exercised within 1 year from the date of such Vesting or listing whichever is later. In other cases of Liquidity Event, the Vested Options can be exercised within such period as may be prescribed by the Board in this regard.</p>	<p>Prior to IPO, the Vested Options can be exercised by the Option Grantee only upon consummation of the Liquidity Event.</p> <p>Where the Liquidity Event is a Listing, the Vested Options can be exercised within Two (2) years from the date of such Vesting or listing whichever is later. In other cases of Liquidity Event, the Vested Options can be exercised within such period as may be prescribed by the NRC/Board in this regard.</p>
7.2(b)	<b>Exercise of Options in case of Separation</b>	
Sr. No. 1	<b>Vested Options</b>	<b>Vested Options</b>

	<p>In case of resignation/ separation prior to a Liquidity Event (including Listing), all Vested Options as on the date of resignation / separation can be exercised by the Option Grantee only upon or in connection with the consummation of a Liquidity Event, within such period not being less than 30 working days as shall be specified by the Board at that time.</p> <p>After an IPO, all the Vested Options as on the date of resignation can be exercised by the Option Grantee before the date on which he is relieved or expiry of the Exercise Period whichever is earlier.</p>	<p>In case of resignation/ separation prior to a Liquidity Event (including Listing), all Vested Options as on the date of resignation / separation can be exercised by the Option Grantee only upon or in connection with the consummation of a Liquidity Event, within such period not being less than 30 working days as shall be specified by the Board at that time.</p> <p>After an IPO, all the Vested Options as on the date of resignation/separation can be exercised by the Option Grantee (a) before the date on which he/she is relieved; or (b) if such date of relieving falls on a date on which the exercise window is closed by the Company, then vested options can be exercised by option grantee only during duration of subsequent exercise window opened by the Company which falls immediately after the relieving date, whichever is later.</p>

**C. CEO ESOP 2016**

<b>Clause</b>	<b>Existing Provisions</b>	<b>Proposed amended provisions</b>
Schedule 2	<p><b>Exercise Period of the Vested Options from the date of occurrence of the event</b></p> <p>5 years from the date of Vesting or 2 years from the date of Listing, whichever is later.</p>	<p><b>Exercise Period of the Vested Options from the date of occurrence of the event</b></p> <p>3 years from the date of Listing.</p>

**RESOLVED FURTHER THAT** the aforesaid amendment shall be applicable to all options granted as well as to be granted in future under the Employees ESOP 2016, the Management ESOP 2016, and the CEO ESOP 2016;

**RESOLVED FURTHER THAT** all other terms and conditions of the Employees ESOP 2016, the Management ESOP 2016, and the CEO ESOP 2016 and all subsisting consents, authorizations and approvals granted from time to time, including resolutions passed by the Members and/or the Board and/or the Committee, with regard to implementation and administration of the Employees ESOP 2016, the Management ESOP 2016, and the CEO ESOP 2016, shall remain unchanged and continue to be in force.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution the Nomination & Remuneration Committee or Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable

for the said purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in connection with the implementation of the resolution including but not limited to determination of eligibility or otherwise of employees of the Company or subsidiaries or any other grantees who continue to be covered by the Employees ESOP 2016, the Management ESOP 2016, and the CEO ESOP 2016 for availing the benefits extended under the same.”

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: November 28, 2022

**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 in the Postal Ballot Notice dated November 28, 2022 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 and No. 3/2022 dated May 5, 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, November 25, 2022 ('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](mailto: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](http://www.cms.com) as well as on NSDL website at [www.evoting.nsdl.com](http://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](mailto: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, 1<sup>st</sup> 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, November 25, 2022. 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 of Friday, November 25, 2022 date 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](mailto:investors@cms.com).

9. The e-voting period commences on from 9:00 A.M. (IST) on Tuesday, November 29, 2022 and ends at 5:00 P.M. (IST) on Wednesday, December 28, 2022. 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, November 25, 2022, 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. Wednesday, December 28, 2022. 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:**

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ 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 “ <b>Access to e-Voting</b> ” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be

	<p>re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <ol style="list-style-type: none"> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a> Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p><b>NSDL Mobile App is available on</b></p> <p>  App Store        Google Play     </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user</li> </ol>



	by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	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.

**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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

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:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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.

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](http://www.evoting.nSDL.com).

b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nSDL.com](http://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](mailto: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 Members**

1. Institutional members (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](mailto:siroyam@gmail.com). Please mention the e-mail ID of Scrutinizer with a copy marked to **[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)**.

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](http://www.evoting.nsdl.com)** to reset the password.

2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at **[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)**.

**Process for those members 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 resolution 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.

## EXPLANATORY STATEMENT

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

The following Explanatory Statement sets out all material facts relating to the special business mentioned in the accompanying Notice dated November 28, 2022.

The Company has framed the CMS Employees Stock Option Plan 2016 ("Employees ESOP 2016"), the CMS Management Stock Option Plan 2016 ("Management ESOP 2016"), and the CMS CEO Stock Option Plan, 2016 ("CEO ESOP 2016") in line with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. It is now proposed to amend the Employees ESOP 2016, Management ESOP 2016, and the CEO ESOP 2016 (collectively referred hereinafter as "Schemes") as under:

### A. Employees ESOP 2016

Clause	Existing Provisions	Proposed amended provisions
7.2(a)	<b>Exercise of Options while in employment</b>	
-	<p>Prior to IPO, the Vested Options can be exercised by the Employees only upon consummation of the Liquidity Event.</p> <p>Where the Liquidity Event is a Listing, the Vested Options can be exercised within 1 year from the date of such Vesting or listing whichever is later. In other cases of Liquidity Event, the Vested Options can be exercised within such period as may be prescribed by the Board in this regard.</p>	<p>Prior to IPO, the Vested Options can be exercised by the Employees only upon consummation of the Liquidity Event.</p> <p>Where the Liquidity Event is a Listing, the Vested Options can be exercised within Two (2) years from the date of such Vesting or listing whichever is later. In other cases of Liquidity Event, the Vested Options can be exercised within such period as may be prescribed by the NRC/Board in this regard.</p>
7.2(b)	<b>Exercise of Options in case of Separation</b>	
Sr. No. 1	<p><b>Vested Options</b></p> <p>In case of resignation/ separation prior to a Liquidity Event (including Listing), all Vested Options as on the date of resignation / separation can be exercised by the Option Grantee only upon or in connection with the consummation of a Liquidity Event, within such period not being less than 30 working days as shall be specified by the Board at that time.</p>	<p><b>Vested Options</b></p> <p>In case of resignation/ separation prior to a Liquidity Event (including Listing), all Vested Options as on the date of resignation / separation can be exercised by the Option Grantee only upon or in connection with the consummation of a Liquidity Event, within such period not being less than 30 working days as shall be specified by the Board at that time.</p> <p>After an IPO, all the Vested Options as on the date of resignation/separation can</p>

	<p>After an IPO, all the Vested Options as on the date of resignation can be exercised by the Option Grantee before the date on which he is relieved or expiry of the Exercise Period whichever is earlier.</p>	<p>be exercised by the Option Grantee (a) before the date on which he/she is relieved; or (b) if such date of relieving falls on a date on which the exercise window is closed by the Company, then vested options can be exercised by option grantee only during duration of subsequent exercise window opened by the Company which falls immediately after the relieving date, whichever is later.</p>
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## B. Management ESOP 2016

Clause	Existing Provisions	Proposed amended provisions
7.2(a)	<b>Exercise of Options while in employment</b>	
-	<p>Prior to IPO, the Vested Options can be exercised by the Option Grantee only upon consummation of the Liquidity Event.</p> <p>Where the Liquidity Event is a Listing, the Vested Options can be exercised within 1 year from the date of such Vesting or listing whichever is later. In other cases of Liquidity Event, the Vested Options can be exercised within such period as may be prescribed by the Board in this regard.</p>	<p>Prior to IPO, the Vested Options can be exercised by the Option Grantee only upon consummation of the Liquidity Event.</p> <p>Where the Liquidity Event is a Listing, the Vested Options can be exercised within Two (2) years from the date of such Vesting or listing whichever is later. In other cases of Liquidity Event, the Vested Options can be exercised within such period as may be prescribed by the NRC/Board in this regard.</p>
7.2(b)	<b>Exercise of Options in case of Separation</b>	
Sr. No. 1	<p><b>Vested Options</b></p> <p>In case of resignation/ separation prior to a Liquidity Event (including Listing), all Vested Options as on the date of resignation / separation can be exercised by the Option Grantee only upon or in connection with the consummation of a Liquidity Event, within such period not being less than 30 working days as shall be specified by the Board at that time.</p> <p>After an IPO, all the Vested Options as on the date of resignation can be exercised by the Option Grantee before the date on which he is relieved or expiry of the Exercise Period whichever is earlier.</p>	<p><b>Vested Options</b></p> <p>In case of resignation/ separation prior to a Liquidity Event (including Listing), all Vested Options as on the date of resignation / separation can be exercised by the Option Grantee only upon or in connection with the consummation of a Liquidity Event, within such period not being less than 30 working days as shall be specified by the Board at that time.</p> <p>After an IPO, all the Vested Options as on the date of resignation/separation can be exercised by the Option Grantee (a) before the date on which he/she is relieved; or (b) if such date of relieving falls on a date on which the exercise window is closed by the Company, then</p>

		vested options can be exercised by option grantee only during duration of subsequent exercise window opened by the Company which falls immediately after the relieving date, whichever is later.

### C. CEO ESOP 2016

Clause	Existing Provisions	Proposed amended provisions
Schedule 2	<p><b>Exercise Period of the Vested Options from the date of occurrence of the event</b></p> <p>5 years from the date of Vesting or 2 years from the date of Listing, whichever is later.</p>	<p><b>Exercise Period of the Vested Options from the date of occurrence of the event</b></p> <p>3 years from the date of Listing.</p>

The rationale and justification for the amendments are as under.

The Company offers stock options to select employees to foster a spirit of ownership and an entrepreneurial mindset. Because of their nature, stock options help to build a holistic, long term view of the business and a sustainability focus in the senior management team. This has contributed to the active involvement of the leadership and senior team who are motivated to ensure long term success of the Company. Grant of stock options also allows the Company to be conservative in awarding fixed pay, balance short term incentives with risk considerations and build the focus on consistent long term results.

Grant of stock options is an essential component of the compensation and incentive philosophy and is a source of competitive advantage in the present market and economic scenario. As the economic environment improves, it is imperative that the Company is able to retain and attract critical talent.

The Company has been granting stock options since 2016 to its employees under the Schemes. The exercise period for vested options as per the present Employees ESOP 2016 and the present Management ESOP 2016 is 1 (One) year from vesting or listing whichever is later, whereas the exercise period for vested options as per the present CEO ESOP 2016 is 5 (Five) years from the date of vesting or 2 (Two) years from the date of listing, whichever is later. The Company now proposes to extend the exercise period under (a) the Employees ESOP 2016 and the Management ESOP 2016 to 2 (Two) years from the date of vesting or listing, whichever is later, and (b) the CEO ESOP 2016 to 3 (Three) years from the date of listing, to all options granted as well as to be granted in future under the Schemes. Such extension of the exercise period is in line with the industry standards of other similar listed companies and will help the Company to be competitive and retain top talent. Several reputed listed companies across industries have been offering such extended exercise periods to their employees. Therefore, the Company's current exercise period of 1 (One) year from vesting or listing under the Employees ESOP 2016 and the Management ESOP 2016, and 2 (years) from the date of listing under the CEO ESOP 2016 is much lower than those under the ESOP schemes of a number of listed companies, which are in the range of 3 (Three) to 6 (Six) years. As such shorter exercise periods are detrimental to the Company's employees, it is proposed to increase the exercise period by 1 (One) year under the respective Schemes to bring them at par with the market standards and best practices followed by good corporates.

Further, as per the current provisions of clause 7.2(b) of the Employees ESOP 2016 and the Management ESOP 2016, in case of (a) Resignation / Separation (other than due to Misconduct or due to breach of Company Policies / Terms of Employment), or (b) Retirement, after the Company's initial public offer, all the vested options as on the date of resignation/retirement can be exercised by the option grantee before the date on which he/she is relieved or expiry of the exercise period, whichever is earlier. Due to this provision, in a case where the date on which such employees is relieved falls within the time when the exercise window is closed, then such employee will not be able to exercise the vested options that he/she is entitled to. Therefore, it is also proposed to modify the Schemes to allow such employees to exercise their stock options either before the date on which he/she is relieved, or if the exercise window is closed by the Company, then vested options can be exercised only during duration of subsequent exercise window opened by the Company which falls immediately after the relieving date, whichever is later.

Also, as stated in clause 16.1 of the Employees ESOP 2016 and the Management ESOP 2016, and clause 14.8 of the CEO ESOP 2016, the Company shall follow the laws/regulations applicable to accounting related to Employee Stock Options, including but not limited to the IND AS/Guidance Note on Accounting for Employee Share-based Payments (Guidance Note) and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein as per the disclosure requirements under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021..

As per the Regulations, any change to the pre-IPO schemes requires the approval of Members by way of a special resolution. There are no other changes to the existing terms of the Employees ESOP 2016, the Management ESOP 2016, and the CEO ESOP 2016 except as stated above.

The Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the passing of the Special Resolution to the extent of the stock options that are or may be granted to the Directors or Key Managerial Personnel.

A copy of the draft amended Scheme would be available for inspection at the Registered Office of the Company on all working days from 11:00 a.m. IST to 5:00 p.m. IST up to December 28, 2022.

The Board recommends the special resolution of the accompanying Notice for approval of the Members.

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: November 28, 2022