



NOTICE OF EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that the Extra Ordinary General Meeting of the members of the DCM Infotech Limited will be held on Saturday, 21st March, 2020 at the Registered Office of the Company at Unit Nos. 2050 to 2052, 2nd Floor, Plaza-II, Central Square, 20, ManoharLalKhuranaMarg, Bara Hindu Rao, Delhi - 110006 at 1.30 P.M.to transact the following business:-

1. ALTERATION OF THE ARTICLES OF ASSOCIATION OF THE COMPANY:

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as a special resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force) and subject to approval, permission and sanctions from the appropriate authority, if any, the consent of the Members of the Company be and are hereby accorded for alteration in the Articles of Association by way of insertion of new Article viz Article No. 87A & Article No. 138 after the existing Article No. 87 & Article No. 137 respectively of the Articles of Association of the Company as under:

Article No.	Particulars
Article 87A - Board of Directors	The Company in general meeting shall have power at any time to appoint one or more persons as non-rotational Director(s) for such time and on such terms as they may be determined.
Article 138 - Employee Stock Option Scheme (ESOP)	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to take all such steps and actions for the purpose of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Articles of Association and further to do all such acts and deeds, matters and things as may be deemed necessary to give effect to this resolution.”

DCM Infotech Limited

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Regd. Office : Unit Nos. 2050 to 2052, Plaza - II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi-110006
Phone : 011-41539140 CIN : U72100DL1992PLC047018

2. APPROVAL OF DCM INFOTECH LIMITED EMPLOYEE'S STOCK OPTION PLAN 2020:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum of Association and the Articles of Association of the Company, as amended from time to time, and any other applicable and prevailing statutory Guidelines/ Circulars in that behalf and subject to such other approval(s), consent(s), permission(s), and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), if any, the consent of the Members of the Company be and is hereby accorded for the approval of proposed **DCM Infotech Limited Employee Stock Option Plan 2020** (hereinafter referred to as the "**ESOP Plan 2020**") and to create, offer, grant, issue and allot under the said "**ESOP Plan 2020**" in one or more tranches a maximum pool of 8,50,000 Employee Stock Options (options) or such other adjusted figure for any sub-division of shares, consolidation of shares, issue of bonus shares and issue of shares on rights basis as may be applicable from time to time to present and/or future employees whether working in India or out of India and Directors (excluding Independent Director) of the Company and present and/or future employees whether working in India or out of India and Directors (excluding Independent Director) of the holding company/subsidiary company(ies) but excluding an Employee who is a Promoter or a person belonging to the Promoter Group; or 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 and to such other persons as may from time to time be allowed to be eligible for the benefits of the Scheme under applicable laws and regulations prevailing from time to time ("**Eligible Employees**"), exercisable into equal number of Equity Shares ("**Shares**") of face value Rs. 10/- each for such number of stock options /equity shares and / or equity linked instruments including any other instruments or securities which could give rise to the issue of equity shares (hereinafter collectively referred to as "**Securities**") of the Company, not exceeding 25% (Twenty five percent) of the paid-up equity share capital of the Company as on the date of passing the resolution at such price and on such terms and conditions as may be fixed or determined by the Board of Directors in accordance with the Guidelines or other applicable provisions of any law as may be prevailing at that time.



RESOLVED FURTHER THAT the Scheme shall be administered by the Nomination and Remuneration Committee who shall have all necessary powers as defined in the Scheme.

RESOLVED FURTHER THAT the Scheme shall be implemented through trust route wherein an irrevocable trust as set up by the Company by the name DCM Infotech Employees Welfare Trust shall acquire the Shares by way of direct allotment from the Company and shall transfer to the Employees in accordance with terms and conditions as stated in the Scheme.

RESOLVED FURTHER THAT the new Shares to be issued and allotted by the Company in the manner aforesaid shall rank pari-passu in all respects with the then existing Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT the Board of Directors, subject to compliance of the applicable laws and regulations, be and is hereby authorized to modify, change, vary, alter, amend, suspend or terminate the Scheme and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental to and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisors, Consultants or Representatives, being incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution.”



3. GRANT OF STOCK OPTIONS TO THE EMPLOYEES OF HOLDING COMPANY/SUBSIDIARY COMPANY(IES) UNDER "DCM INFOTECH LIMITED EMPLOYEE STOCK OPTION PLAN 2020"

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) of the Companies Act, 2013, Rule 12(4)(a) of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re-enactment thereof), the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/ Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Members of the Company be and is hereby accorded to extend the benefits of DCM Infotech Limited Employees Stock Option Scheme - 2020 ("*Scheme*") including the grant of Employee Stock Options ("*Options*") and issuance of Equity Shares thereunder, to the Employee(s) of holding company/subsidiary company(ies) who are in permanent employment whether working in India or out of India, and to the Directors whether a Whole Time Director or not but excluding Independent Director, of the Holding Company but excluding an Employee who is a Promoter or a person belonging to the Promoter Group; or 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 and to such other persons as may from time to time be allowed to be eligible for the benefits of the Scheme under applicable laws and regulations prevailing from time to time ("*Eligible Employees*"), on such terms and conditions as may be fixed or determined by the Board of Directors in accordance with the Scheme.

RESOLVED FURTHER THAT the new Shares to be issued and allotted by the Company in the manner aforesaid shall rank pari-passu in all respects with the then existing Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary for the effective implementation and administration of the Scheme and to make applications to the appropriate authorities, for their



requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution."

For and on behalf of the Board of Directors
DCM Infotech Limited



Anukita Jain

Company Secretary

Membership No.: ACS 55307

Date: 25/02/2020
Place: New Delhi

NOTES:

1. Explanatory statement setting out all material facts pursuant to section 102 of the Companies Act, 2013, in respect of business to be transacted at the meeting is annexed hereto.
2. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of on his/her behalf and the proxy need not be a member of the Company.

A Proxy Form (enclosed herewith), duly completed and stamped, in order to be effective, must reach the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid meeting.

3. Pursuant to the provisions of Section 105 of the Companies Act, 2013 and rules made there under, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

4. Members/Proxies are requested to bring the attendance slips duly filled in for attending the meeting.
5. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the Registered Office of the Company on all working days during the business hours.
6. Corporate Members intending to send their authorised representatives to attend the EGM are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
7. Route map of the venue of the meeting is attached herewith.

Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013

Item No. 1

Your Board of directors in their meeting held on January 15, 2020 has approved the proposal to amend the Articles of Association of the Company to make enable provision to formulate an Employees Stock Option Scheme (ESOP) to motivate employees, who are consistently performing well, and to give them opportunity to participate and gain from the Company's performance, thereby, acting as a retention tool as well as to align the efforts of such talent towards long term value creation in the organization and to attract new talent and also to make an enabling provision for the Company to appoint one or more persons as non-rotational Director(s) for such time and on such terms as they may be determined in general meeting of the Company.

It is now proposed to amend the existing Article of Association by way of insertion of new Article viz Article No. 87A & Article No. 138 after the existing Article No. 87 & Article No. 137 respectively of the Articles of Association of the Company.

Pursuant to the provisions of Section 14 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, approval of members is required by way of Special Resolution for alteration in the Article of Association of the Company.

Draft copy of the altered Article of Association of the Company shall be open for inspection by the Members at the Registered of the Company during normal business hours on all working days (i.e., except Saturday(s), Sunday(s) and Public Holiday(s) up to the date of the Extraordinary General Meeting and during the continuance of the Extraordinary General Meeting.

None of the Directors, Key Managerial Personnel and their relatives are interested or concerned, financially or otherwise, in the aforesaid resolution.



The Board of Directors recommends the resolutions as set out under Item No. 1 of this Notice for the approval of the members of the Company as Special Resolution.

Item No. 2 & 3

Human resource is the key for the continuous growth and development of the Company. In order to attract and retain key employees working with the Company and its holding company/subsidiary company(ies) by way of rewarding their performance and motivate them to contribute and participate in the overall corporate growth, profitability and financial success of the organisation, your Company intends to implement new employee stock option Scheme.

Equity based compensation is considered to be an integral part of employee compensation across sectors. Your Company also believes in rewarding its employees including Directors of the Company as well as that of the holding company/subsidiary company(ies) ("eligible employees") for their continuous hard work, dedication and support, which has led the Company and the holding company/subsidiary company(ies) on the growth path. Accordingly, your Company proposes to implement **DCM Infotech Limited Employee Stock Option Plan 2020** (hereinafter referred to as the "**ESOP Plan 2020**").

The Company seeks approval of the Members in respect of **ESOP Plan 2020** and for grant of Options convertible into equity shares of the Company, to the eligible employees, as may be decided by the Board and/or the Nomination and Remuneration Committee ("the Committee") from time to time under the **ESOP Plan 2020**.

The main features and other details of the DCM Infotech Limited Employee Stock Option Plan 2020 as per Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, of Chapter IV of the Companies Act, 2013 are as under:

1. Ceiling on aggregate number of Options:

The Options may be granted from time to time, to such employees and in such numbers as may be decided, subject to the stipulation that the aggregate options so granted shall not exceed 8,50,000 options or 25% (Twenty five percent) of the paid-up equity share capital of the Company, which shall be convertible into equal number of Shares, at the time of granting the option(s). Where granted options, vested or unvested, lapse due to any reason, the Company may issue / re-issue options to the eligible Employees as long as the aggregate number of options (including shares already allotted under the Scheme, but excluding any granted options that are lapsed) shall not exceeding 25% (Twenty five percent) of the paid-up equity share capital of the Company.



If any Option granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be available for further grant under the Scheme unless otherwise determined by the Committee.

2. Identification of classes of employees entitled to participate in ESOP Plan 2020:

The following class/classes of employees / Directors are entitled to participate in ESOP Plan 2020:-

- a) a permanent employee of the company who has been working in India or outside India; or
- b) a director of the company, whether a whole time director or not but excluding an independent director; or
- c) an employee as defined in clauses (a) or (b) of a subsidiary, in India or outside India, or of a holding company of the company

The following class/classes of employees are not eligible:-

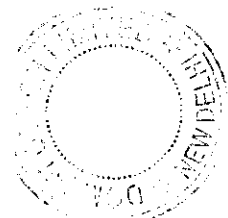
- a) an employee who is a Promoter or belongs to the Promoter Group;
- b) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% (Ten percent) of the outstanding equity shares of the Company; and

3. The appraisal process for determining the eligibility of employees to the Employees Stock Option Scheme:

The appraisal process for determining the eligibility of the Employees will be in accordance with the Scheme.

The Committee may on the basis of all or any of the following criteria, decide on the Employees / Grantees who are eligible for the grant / vesting of Options under the Scheme and the terms and conditions thereof.

- Loyalty: It will be determined on the basis of tenure of employment of an Employee / Grantee in the Company / Holding Company.
- Performance of Employee / Grantee: Employee's / Grantee's performance during the financial year on the basis of the parameters decided by the Company / Holding Company.
- Performance of Company: Performance of the Company as per the standards set by the Committee.
- Any other criteria as decided by the Committee.



4. Requirements of vesting and period of vesting:

The Options granted shall vest in accordance with the terms of the each grant under the **ESOP Plan 2020**, so long as an employee continues to be in the employment of the Company or the holding company/subsidiary company(ies) as the case may be. The vesting period in one or more tranches shall be decided by the Committee from time to time, however there shall be a minimum period of one year between Grant and first Vesting. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which, such Options would vest.

The Nomination and Remuneration Committee shall be entitled in its absolute discretion, to vary or alter the Vesting Date from Employee to Employee or any class thereof, as the Committee may deem fit. The Nomination and Remuneration Committee in its absolute discretion may permit the Options granted, which have not Vested to be exercised within such time and on such terms and conditions as it may determine.

5. Maximum period within which the Options shall be vested:

Options granted under **ESOP Plan 2020** would vest within the maximum period in accordance with the terms of each grant as decided by the Nomination and Remuneration Committee.

6. The Exercise prices

Options granted to Employees under this Scheme shall be at the Exercise Price, as decided by the Nomination and Remuneration Committee.

7. Lock in period:

The Shares so transferred under the Scheme shall not be subject to any lock in period. However, if the Committee deems fit, a lock in period may be levied by the Committee at the time of grant of Options.

8. Maximum number of Options to be issued per employee :

The number of Options that may be granted to any specific employee of the Company or of its holding company/subsidiary company(ies), in any financial year and in aggregate under the **ESOP Plan 2020** shall be less than 1% (One percent) of the issued equity share capital (excluding outstanding warrants and conversions) of the Company. The Committee may decide to grant such number of Options equal to or exceeding 1% of the issued capital to any eligible Employee as the case may be, subject to the separate approval of the Shareholders in a general meeting.



9. Accounting and Disclosure Policies:

The Company shall comply with the 'Guidance Note on Accounting for Employee Share-based Payments' and applicable Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time and other applicable laws from time to time.

10. Method of Option Valuation:

The Company shall comply with the disclosure and accounting policies as prescribed by appropriate authority from time to time. Presently it is to be done as per ICAI Guidance Note 18 (The Accounting note on the Share Based Employee Benefit).

Consent of the Board to the aforesaid resolutions is already received and Consent of the members is being sought by way of Special Resolution pursuant to Section 62[1][b] and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder.

Pursuant to the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, approval of members is required by way of Special Resolution for issue of Employees Stock Option Scheme.

Draft copy of the **ESOP Plan 2020** shall be open for inspection by the Members at the Registered of the Company during normal business hours on all working days (i.e., except Saturday(s), Sunday(s) and Public Holiday(s) up to the date of the Extraordinary General Meeting and during the continuance of the Extraordinary General Meeting.

The Directors and Key Managerial Personnel of the Company may be deemed to be concerned or interested in these Resolutions only to the extent of any Stock Options that may be granted to them and the resultant equity shares issued, as applicable.

The Board of Directors recommends the resolution(s) as set out under Item No. 2 & 3 of this Notice for the approval of the members of the Company as Special Resolution.

For and on behalf of the Board of Directors
DCM Infotech Limited



Anukita Jain

Company Secretary

Membership No.: ACS 55307

Date: 25/02/2020

Place: New Delhi

Route map for the venue of Extra Ordinary General Meeting

