
CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE MEETING OF THE ANNUAL GENERAL MEETING OF ABM KNOWLEDGEWARE LIMITED HELD ON WEDNESDAY 07TH AUGUST, 2024 11.00 A.M. HELD THROUGH VIDEO CONFERENCING AND OTHER AUDIO VIDEO MEANS.

APPROVAL OF ‘ABM EMPLOYEE STOCK OPTION SCHEME 2024’ (“ESOS 2024”/ “SCHEME”)

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

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, and pursuant to Regulation 6 and other applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021, as amended and enacted from time to time read with all circulars and notifications issued thereunder (**“SBEB Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**), the provisions of relevant regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India (**“SEBI”**), the provisions of any other applicable laws and regulations (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time), the relevant provisions of Memorandum and Articles of Association of the ABM Knowledgeware Limited (**“Company”**) and subject to further such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the members’ of the Company be and is hereby accorded to the introduction and implementation of **‘ABM Employee Stock Option Scheme 2024’ (“ESOS 2024”/ “Scheme”)** and authorizing the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall be deemed to include any committee, including the Nomination and Remuneration Committee which the Board has constituted or may constitute under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution) to create, and grant from time to time, in one or more tranches, not exceeding 4,00,000 (Four Lakhs Only) employee stock options (**“Option(s)”**) to or for the benefit of such eligible person(s) as designated by the Company, within the meaning of the Scheme (other than promoter or person belonging to the promoter group of the Company, independent directors and director(s) holding directly or indirectly more than 10% of the outstanding equity shares of the Company), as may be decided under the Scheme, exercisable into not more than **4,00,000** (Four Lakhs Only) equity shares of face value of **Rs. 5/-** (Rupees Five) each fully paid-up, where one employee stock Option would convert in to one equity share upon exercise, on such terms and in such manner as the Committee may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme.”

“RESOLVED FURTHER THAT the equity shares so issued and allotted as mentioned hereinbefore shall rank pari passu 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, merger and sale of division and others, if any additional equity shares are issued by the Company to the Option grantees for the purpose of making a fair and reasonable adjustment to the employee stock Options granted earlier, the ceiling in terms specified above shall be deemed to be increased to the extent of such additional equity shares issued.”

“RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the Option grantees under the Scheme shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value 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 grantees.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to take requisite steps for listing of the equity shares allotted under the Scheme on the stock exchanges where the equity shares of the Company are listed in due compliance with SBEB Regulations and other applicable laws.”

“RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Scheme.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, 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 further 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 and ancillary thereof in conformity with the provisions of the Companies Act, 2013, SBEB Regulations, the Memorandum and Articles of Association of the Company and any other applicable laws in force.”

“RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing to appoint merchant Bankers, brokers, solicitors, registrars, compliance officer, investors service center and other advisors, consultants or representatives, being incidental to

the effective implementation and administration of the Scheme as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard.”

For and on behalf of the Board

ABM Knowledgeware Limited

Sarika Ghanekar
Company Secretary and Compliance Officer

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 THE COMPANIES ACT, 2013 READ WITH REGULATION 6 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 (“SBEB REGULATIONS”) IN RESPECT OF ITEM OF SPECIAL BUSINESS:

Approval of ‘ABM Employee Stock Option Scheme 2024’ (“ESOS 2024”/ “Scheme”):

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through stock-based compensation scheme. Your Company’s intention is to implement a employee stock ownership program namely ‘**ABM Employee Stock Option Scheme 2024’ (“ESOS 2024” / “Scheme”)** in order to attract, reward and retain key employees of the Company. With a view to motivate the key employees seeking their contribution to the corporate growth, to create an employee ownership culture, to attract new talents, and to retain them for ensuring sustained growth, your Company intends to implement an employee stock option scheme (“**ESOS 2024” / “Scheme”**) namely ‘**ABM Employee Stock Option Scheme 2024’** seeking to cover eligible employees of the Company.

Accordingly, the Nomination and Remuneration Committee (“Committee”) and the Board of Directors of the Company at their respective meetings held on 23rd May, 2024 and 24th May, 2024 had approved the introduction of the Scheme, subject to your approval.

In terms of Section 62(1)(b) of the Companies Act, 2013 read with Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEB Regulations”), the Company seeks your approval in regards to the implementation of the Scheme and grant of Options thereunder to the eligible employees of the Company as decided from time to time as per provisions of the Scheme read with provisions of SBEB Regulations.

The main features of the Scheme are as under:

a) Brief Description of the Scheme:

Keeping in view the aforesaid objectives, the Scheme contemplates grant of Options to the Employees of the Company. After vesting of Options, the Employees earn a right, but not obligation, to exercise the Vested Options within the Exercise Period and obtain equity shares of the Company subject to payment of Exercise Price and satisfaction of any tax obligation arising thereon.

The Nomination and Remuneration Committee shall act as Committee for the administration of the Scheme. All questions of interpretation of the Scheme shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Scheme.

b) Total number of Options to be granted:

The total number of Options to be granted under the Scheme shall not exceed **4,00,000 (Four Lakhs Only)**. Each Option when exercised would be converted into one equity share of Rs. 5 /- (Rupees Five) each fully paid-up.

Further, SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division etc., a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the Committee shall adjust the number and price of the Options granted in such a manner that the total value of the Options granted under the Scheme remain the same after any such corporate action. Accordingly, if any additional Options are issued by the Company to the Option grantees for making such fair and reasonable adjustment, the ceiling of **4,00,000 (Four Lakhs Only)**, shall be deemed to be increased to the extent of such additional Options issued.

c) Identification of classes of employees entitled to participate in the Scheme:

All employees and Directors (hereinafter referred to as “**Employees**”) of the Company shall be eligible subject to determination or selection by the Committee. Following classes of employees/ Directors are eligible being:

- (i) an employee as designated by the Company, who is exclusively working in India or outside India,
- (ii) a Director of the Company, whether whole time director or not including a non-executive director who is not a Promoter or member of the Promoter Group

but excludes

- a. an Employee who is a Promoter or belongs to the Promoter Group;
- b. a Director who either by himself or through his / her relatives or through anybody corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company; and
- c. a Director being an Independent Director.

d) Requirements of Vesting and period of Vesting:

All the Options granted on any date shall vest on expiry of the minimum period of 1 (One) year from the date of grant of Options and not later than maximum period of 5 (Five) years from the date of Grant.

The vesting dates in respect of the Options granted under the Scheme shall be determined by the Committee and may vary from employee to employee or any class thereof and / or in respect of the number or percentage of Options to be vested.

Options shall vest essentially based on continuation of employment/ service as per requirement of SBEB Regulations. In addition to this, the Committee shall have the power to specify certain performance conditions, being corporate or individual or otherwise, for each employee, subject to satisfaction of which the Options would Vest.

The specific vesting schedule and conditions for each employee shall be determined by the Committee which shall be disclosed in the grant letter.

e) Maximum period within which the Options shall be vested:

All the Options granted on any date shall vest not later than the maximum period of 5 (Five) years from the date of grant.

f) Exercise price or pricing formula:

The Exercise Price per Option shall be determined by the Committee at the time of Grant subject to a discount up to 25% (Twenty-Five Percentage) from the Market Price of the Shares as on the date of Grant

The Exercise Price shall be specified in the letter issued to the Option Grantee at the time of the Grant.

g) Exercise period and the process of exercise:

The exercise period would commence from the date of vesting and will expire on completion 4 (Four) years from the date of respective vesting, or such other period as may be decided by the Committee.

The vested Option shall be exercisable by the Option grantees by a written application to the Company expressing his/ her desire to exercise such Options in such manner and in such format as may be prescribed by the Committee from time to time. Exercise of Options shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the Option grantee. The Options shall lapse if not exercised within the specified exercise period.

h) Appraisal process for determining the eligibility of employees under the Scheme:

The appraisal process for determining the eligibility of the Employees will be based on designation, period of service, performance linked parameters such as work performance and such other criteria as may be determined by the Committee.

i) Maximum number of Options to be issued per employee and in aggregate:

The maximum number of Options under the Scheme that may be granted to each Employee per Grant and in aggregate be not more than 70,000 (Seventy thousand) Options at the time of Grant of Option.

j) Maximum quantum of benefits to be provided per employee under the Scheme:

Apart from grant of Options as stated above, no monetary benefits are contemplated under the Scheme.

k) Route of the Scheme implementation:

The Scheme shall be implemented and administered directly by the Company.

l) Source of acquisition of shares under the Scheme:

The Scheme contemplates issue of fresh/ primary shares by the Company.

m) Amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.:

This is currently not contemplated under the present Scheme.

n) Maximum percentage of secondary acquisition:

This is not relevant under the present Scheme.

o) Accounting and Disclosure Policies:

The Company shall follow the IND AS 102 on Share-based payments and/ or any relevant accounting standards as may be prescribed by the Institute of Chartered Accountants of India or any other appropriate authority, from time to time, including the disclosure requirements prescribed therein, in compliance with relevant provisions of SBEB Regulations. In case, the existing guidance note, or accounting standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SBEB Regulations.

p) Method of Option valuation:

The Company shall adopt the 'fair value method' for valuation of Options as prescribed under guidance note or under any accounting standard, as applicable, notified by 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 also be disclosed in the Directors' Report.

r) Period of lock-in:

The equity shares issued pursuant to exercise of vested Options shall not be subject to any lock-in period restriction in general. Usual restrictions as may be prescribed under applicable laws including that under the code of conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended, shall apply.

s) Terms & conditions for buyback, if any, of specified securities/ Options covered granted under the Scheme:

Subject to the provisions of the then prevailing applicable laws, the Committee shall determine the procedure for buy-back of the specified securities/ Options if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

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 as per Regulation 6 of the SBEB Regulations.

A draft copy of the Scheme is available for inspection at the Company's registered office / corporate office during official hours on all working days till the date of the 31st annual general meeting.

None of the Directors, key managerial personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted Options under the Scheme.

In light of above, you are requested to accord your approval to the Special Resolution as set out at Agenda Item No.5 of the accompanying notice.

For and on behalf of the Board

ABM Knowledgeware Limited

Sarika Ghanekar

Company Secretary and Compliance Officer