



Ref: CEL/NSEBSE/PB/04092021

4th September, 2021

To,

Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	Department of Corporate Services - Listing BSE Limited P. J. Towers, Dalal Street, Mumbai – 400 001
--	---

Re: Scrip Symbol: CENTUM/ Scrip Code: 517544

Dear Sir/ Madam,

Sub: Notice of the Postal Ballot

Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”), please find enclosed Notice of Postal Ballot/ E-voting (“Notice”) being sent to the Shareholders, seeking their approval by way of Special Resolutions for the matters set out in the Notice dated September 2, 2021.

Pursuant to Sections 108 and 110 of the Companies Act, 2013 as amended (the “Companies Act”) read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended (the “Management Rules”) including any statutory modification or re-enactment thereof for the time being in force, and other applicable provisions, if any, and the General Circular Nos. 14/2020 and 17/2020 dated April 8, 2020, April 13, 2020, September 28, 2020 and December 31, 2020 respectively, issued by the Ministry of Corporate Affairs (“MCA Circulars”), the Company is sending this Notice in electronic form only and hard copy of the Notice along with postal ballot forms and pre-paid business envelope will not be sent to the shareholders for this Postal ballot. Accordingly, the communication of the assent or dissent of the members would take place through the E-voting system.

The Notice is being sent to those shareholders whose names appear in the register of members/ list of beneficial owners, as on the close of working hours on August 27, 2021 (Friday) i.e., cut off date, as received from the National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) (together referred to as “Depositories”) and who have registered their e-mail addresses in respect of electronic holdings with the depository through the concerned depository participants and in respect of physical holdings with KFin Technologies Private Limited, the registrar and share transfer agent of the Company (“KFinTech”).

Centum Electronics Limited

44, KHB Industrial Area, Yelahanka New Town, Bangalore - 560 106, Karnataka, India

Tel +91-(0)80-4143-6000 Fax +91-(0)80-4143-6005 www.centumindia.com

CIN - L85110KA1993PLC013869



The shareholders whose e-mail addresses are not registered are requested to register their e-mail addresses and mobile numbers by following the procedure specified in the Notice.

In compliance with Regulation 44 of the SEBI Listing Regulations and Sections 108 and 110 and other applicable provisions of the Companies Act, 2013 and its Rules and MCA Circulars, the Company is only offering E-voting facility to the shareholders, to enable them to cast their votes electronically. The Company has engaged the services of KFin Technologies Private Limited to provide E-voting facility.

The E-voting period begins at 09:00 a.m. IST on September 6, 2021 (Monday) and ends at 05:00 p.m. IST on October 5, 2021 (Tuesday). During this period shareholder of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. August 27, 2021 (Friday) may cast their votes through E-voting facility.

The Notice will also be available on the Company's website www.centumelectronics.com.

Kindly take the same on your records.

Yours faithfully,
For **Centum Electronics Limited**

Nagaraj K V
Company Secretary & Compliance Officer

Encl: as above



Centum Electronics Limited

CIN: L85110KA1993PLC013869

Registered Office: No.44, KHB Industrial Area, Yelahanka New Town, Bangalore – 560 106
Telephone: 080 4143 6000, Fax: 080 4143 6005, website: www.centumelectronics.com

Notice of Postal Ballot

To the Shareholders of Centum Electronics Limited,

Notice is hereby given that pursuant to Sections 108 and 110 of the Companies Act, 2013 as amended (the “**Companies Act**”) read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended (the “**Management Rules**”) including any statutory modification or re-enactment thereof for the time being in force, and other applicable provisions, if any, and the General Circular Nos. 14/2020 and 17/2020 dated April 8, 2020, April 13, 2020, September 28, 2020 and December 31, 2020 respectively, issued by the Ministry of Corporate Affairs, Government of India (“**MCA Circulars**”), seeking approval of the Shareholders of Centum Electronics Limited (the “**Company**”) to the proposed special resolutions appended through postal ballot by way of remote e-voting only.

The Board of Directors of the Company (“**Board**”) at their meeting held on August 14, 2021 (“**Board Meeting**”) has, subject to the approval of the Shareholders of the Company by way of a special resolution through the postal ballot (by remote e-voting) and subject to approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved the introduction of Restricted Stock Unit Scheme titled as Centum Electronics Limited - Restricted Stock Unit Plan 2021 (“**RSU 2021**” or “**Plan**”), to create and grant stock options not exceeding 1,75,000 (One Lakh Seventy Five Thousand only) stock options, each convertible into one (1) equity share of the Company having face value of Rs.10/- (Rupees Ten only) per equity share, to the employees of Centum Electronics Limited and its Indian Subsidiary(ies). An explanatory statement pursuant to Section 102 of the Companies Act and other applicable provisions of the Companies Act and (“**Explanatory Statement**”), setting out the material facts and the reasons is appended hereto.

Pursuant to Rule 22(5) of the Management Rules, the Company has appointed Mr. S.P. Nagarajan, Practicing Company Secretary (CP No. 4738), Bangalore who will act as the scrutinizer (the “**Scrutinizer**”) for conducting the postal ballot process through remote e-voting in a fair and transparent manner. The Scrutinizer is willing to be appointed and be available for the purpose of ascertaining the requisite majority.

In compliance with Sections 108 and 110 of the Companies Act read with Rules 20 and 22 of the Management Rules, Regulation 44 of the SEBI Listing Regulations and MCA Circulars, the Company is offering facility of remote e-voting only (“**E-voting**”). The Company has engaged services of KFin Technologies Private Limited as its agency for providing E-voting facility to the Shareholders of the Company. In compliance with the requirements of the MCA Circulars, hard copy of this Notice along with postal ballot forms and prepaid business envelope will not be sent to the Shareholders for this postal ballot and Shareholders are requested to carefully read the instructions indicated in this Notice and communicate their assent (for) or dissent (against) through E-voting only. Shareholders are requested to follow the procedure as stated in the notes and instructions for casting of votes by E-voting.

The Scrutinizer will submit the report to the Chairman of the Company, or any other person authorized by him in writing, after completion of scrutiny of postal ballot voting process in a fair and transparent manner. The results of the postal ballot will be announced on or before October 7, 2021 (Thursday) and will be displayed on the website of the Company (www.centumelectronics.com) and intimated to BSE Limited (the “**BSE**”) and National Stock Exchange of India Limited (the “**NSE**”) (the NSE together with the BSE are referred to as the “**Stock Exchanges**”) where the Equity Shares of the Company are listed and shall also be intimated to KFin Technologies Private Limited, the registrar and share transfer agents of the Company.



SPECIAL BUSINESSES:

Item No.1: Approval of “Centum Electronics Limited - Restricted Stock Unit Plan 2021”

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

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred as “SEBI SBEBS Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any statutory modification(s) or re-enactment of the Act, Foreign Exchange Management Act (FEMA), 1999, the Memorandum of Association and the Articles of Association of the Company and subject to 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 approval of the Shareholders of the Company be and is hereby accorded to the introduction of ‘**Centum Electronics Limited - Restricted Stock Unit Plan 2021**’ (“**RSU 2021**” or “**Plan**”) authorising 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 to exercise its powers, including the powers, conferred by this resolution read with Regulation 5 of SEBI SBEBS Regulations) to create, issue and grant not exceeding 1,75,000 (One Lakh Seventy Five Thousand) Restricted Stock Units (“**RSUs**”) in the nature of employee stock options thereunder, in one or more tranches, from time to time, to the eligible permanent employees of the Company as defined under the SEBI SBEBS Regulations., which upon exercise shall not exceed in aggregate 1,75,000 (One Lakh Seventy Five Thousand) equity shares of face value of Rs.10 each fully paid-up of the Company, where one RSU upon exercise shall entitle to one equity share of the Company, subject to such terms and conditions as may be determined in accordance with the provisions of the applicable laws including SEBI SBEBS Regulations and the provisions of the RSU 2021 as may prevail from time to time.

RESOLVED FURTHER THAT the equity shares proposed to be issued and allotted upon exercise, 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, change in capital structure, merger and sale of division / undertaking, and others, if any additional equity shares are to be issued by the Company to the Shareholders, the ceiling as foresaid of RSUs and equity shares shall be deemed to increase in proportion of such additional equity shares issued to facilitate making a fair and reasonable adjustment as determined by the Board/ Nomination and Remuneration Committee as per provisions of SEBI SBEBS Regulations.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be allotted and to the extent allowed exercise price payable by the grantees under the RSU 2021 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs.10 (Rupees Ten) per equity share bears to the revised face value of the equity shares of the Company after such consolidation or sub-division, without affecting any other rights or obligations of the said grantees.

RESOLVED FURTHER THAT the Board/ Nomination and Remuneration Committee be and is hereby authorised to take requisite steps for listing of the equity shares allotted under RSU 2021 on the Stock Exchange(s) where the equity shares of the Company are listed.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under Regulation 15 of the SEBI SBEBS Regulations and other applicable laws to the extent relevant and applicable to the RSU 2021.

RESOLVED FURTHER THAT the Board/ Nomination and Remuneration Committee 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 Banker(s) and such other appropriate agencies, if required, being incidental to the effective implementation and administration of 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.”

Item No.2: Approval of grant of Restricted Stock Units under ‘Centum Electronics Limited - Restricted Stock Unit Plan 2021’ to the eligible employees of the Subsidiary (ies) of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and Regulation 6 (3) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred as “SEBI SBEBSE Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any statutory modification(s) or re-enactment of the Act, Foreign Exchange Management Act (FEMA), 1999, the Memorandum of Association and the Articles of Association of the Company and subject to approval of the ‘**Centum Electronics Limited - Restricted Stock Unit Plan 2021**’ (“**RSU 2021**” or “**Plan**”) and subject to 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, approval of the Shareholders of the Company be and is hereby accorded authorising 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 to exercise its powers, including the powers, conferred by this resolution read with Regulation 5 of SEBI SBEBSE Regulations) to create, issue and grant such number of restricted stock units (“**RSUs**”) in the nature of employee stock options under the Plan, in one or more tranches, from time to time, to the eligible permanent employees of the **subsidiary company(ies)** of the Company, as defined under the SEBI SBEBSE Regulations, whether in or outside India, within the overall and individual limits of the Plan as amended from time to time, where one RSU upon exercise shall entitle the grantee to one equity share of face value of Rs.10 each fully paid-up of the Company, subject to such terms and conditions as may be determined in accordance with the provisions of the applicable laws including SEBI SBEBSE Regulations and the provisions of the RSU 2021 as may prevail from time to time.

RESOLVED FURTHER THAT the equity shares proposed to be issued and allotted upon exercise, as mentioned hereinbefore shall rank pari passu with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the Board/ Nomination and Remuneration Committee shall have the same rights, duties, authority and powers as to administration, accounting, disclosure and other compliances in the connection with RSUs granted to any eligible employee/ director of its subsidiary company(ies) as contemplated in the resolutions seeking approval of the RSU 2021.”

	By order of the Board of Directors For Centum Electronics Limited
	Sd/-
Place : Bangalore	Nagaraj K V
Dated : September 2, 2021	Company Secretary



NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act and Regulation 6(2) SEBI SBESE Regulations in respect of proposed special resolutions to be passed through postal ballot (by remote E-voting) is annexed hereto, for your consideration.
2. The Notice is being sent to all the Shareholders, whose names appear in the register of members/ list of beneficial owners, as on the close of working hours on August 27, 2021 (Friday) i.e., cut off date, as received from the National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) (together referred to as “**Depositories**”) and who have registered their e-mail addresses in respect of electronic holdings with the depository through the concerned depository participants and in respect of physical holdings with KFin Technologies Private Limited, the registrar and share transfer agent of the Company (“**KFintech**”). Any person who is not a Shareholder of the Company as on date specified above shall treat the Notice for information purposes only. A copy of this Notice will also be available on the Company's website (www.centumelectronics.com), on the website of KFintech (<https://evoting.kfintech.com>) and at the relevant sections of the websites of the stock exchanges on which the Equity Shares of the Company are listed.
3. In compliance with Regulation 44 of the SEBI Listing Regulations and Sections 108 and 110 and other applicable provisions of the Companies Act, 2013 and its Rules and MCA Circulars, the Company is only offering E-voting facility to the Shareholders, to enable them to cast their votes electronically. The Company has engaged the services of KFin Technologies Private Limited to provide E-voting facility.
4. In view of the ongoing threat posed by COVID-19 and in terms of the MCA Circulars, the Company will send this Notice in electronic form only and hard copy of this Notice along with postal ballot forms and pre-paid business envelope will not be sent to the Shareholders for this postal ballot. Accordingly, the communication of the assent or dissent of the members would take place through the E-voting system. Therefore, those Shareholders who have not yet registered their e-mail address are requested to get their e-mail addresses registered by following the procedure given below:
 - i. In light of the MCA Circulars, for remote E-voting for this postal ballot, Shareholders who have not registered their email addresses and in consequence the E-voting notice could not be serviced, may temporarily get their e-mail addresses registered with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, by clicking the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>. Post successful registration of the e-mail address, the Shareholder would get soft copy of this Notice and the procedure for E-voting to enable E-voting for this postal ballot. In case of any queries, Shareholder may write to einward.ris@kfintech.com.
 - ii. It is clarified that for permanent registration of e-mail address, the Shareholders are however requested to register their email address, in respect of electronic holdings with the depository through the concerned depository participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, Selenium, Tower B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, India by following due procedure.
 - iii. Those Shareholders who have already registered their e-mail address are requested to keep their e-mail addresses validated with their depository participants / the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited to enable servicing of notices / documents / Annual Reports electronically to their e-mail address.
5. The Scrutinizer will submit the report to the Chairman of the Company, or any other person authorized by him in writing, after completion of scrutiny of postal ballot process. The results of the postal ballot will be announced on or before October 7, 2021 and will be displayed on the website of the Company (www.centumelectronics.com) and intimated to Stock Exchanges and shall also be intimated to KFintech.



6. The last date for the E-voting i.e., October 5, 2021 (Tuesday) shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority. All the material documents referred to in the accompanying Notice and the Explanatory Statement will be available for inspection on the website of the Company (www.centumelectronics.com) until the last date for the E-voting.

The instructions for the members for remote e-voting are as under:

- i. **The e-voting period begins at 9.00 A.M. IST on Monday, September 6, 2021 and ends at 5.00 P.M. IST on Tuesday, October 5, 2021.** During this period shareholder of the Company holding Equity Shares either in physical form or in dematerialized form, as on the cut-off date, i.e. August 27, 2021 (End of Day) may cast their votes electronically. The remote E-voting module shall be disabled by KFin Technologies Private Limited for voting thereafter. Once the vote on a resolution is cast by a Shareholder, he or she will not be allowed to change it.
- ii. The voting rights of the Shareholders shall be in proportion to their Equity Shares held on cut-off date i.e. August 27, 2021. Voting rights in the E-voting cannot be exercised by a proxy, though corporate and institutional Shareholders shall be entitled to vote through their authorized representative with proof of authorization.
- iii. In case of any queries you may contact Mr. Nagaraj K V, Company Secretary at investors@centumelectronics.com or Contact No.: 080- 4143 6020.
- iv. Institutional shareholders (other than Individual, HUF, NRI etc.) are required to send a scanned copy of relevant board resolution / authorization letter to the scrutinizer via email to nagarajsp818@gmail.com with a copy to evoting@kfintech.com.
- v. The Company has entered into an agreement with KFin Technologies Private Limited (KFin) for facilitating e-voting. The instructions are as follows:
 - a. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFin, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
 - b. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
 - c. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
 - d. The details of the process and manner for remote e-Voting are explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFin e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

1. Details on Step 1 are mentioned below:

Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for IDeAS facility:</p> <ol style="list-style-type: none"> I. Visit URL: https://eservices.nsdl.com II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section. III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. User not registered for IDeAS e-Services:</p> <ol style="list-style-type: none"> I. To register click on link: https://eservices.nsdl.com II. Select “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1 <p>3. Alternatively by directly accessing the e-Voting website of NSDL:</p> <ol style="list-style-type: none"> I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e. KFin. V. On successful selection, you will be redirected to KFin e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing user who have opted for Easi / Easiest</p> <ol style="list-style-type: none"> I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered User ID and Password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFin e-Voting portal. V. Click on e-Voting service provider name to cast your vote. <p>2. User not registered for Easi/Easiest</p> <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <ol style="list-style-type: none"> I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.

	IV. After successful authentication, user will be provided links for the respective ESP, i.e KFin where the e- Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	<p>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</p> <p>II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>III. Click on options available against company name or e-Voting service provider – KFin and you will be redirected to e-Voting website of KFin for casting your vote during the remote e-Voting period without any further authentication.</p>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at 022- 23058738 or 022-23058542-43

2. Details on Step 2 are mentioned below:

Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

- (A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFin which will include details of E-Voting Event Number (EVEN), User ID and Password. They will have to follow the following process:
- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com>
 - ii. Enter the login credentials (i.e. User ID and Password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and Password for casting the vote.
 - iii. After entering these details appropriately, click on “LOGIN”.
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.



- v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the “EVENT” i.e., “Centum Electronics Limited - POSTAL BALLOT” and click on “Submit”
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
 - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on “Submit”.
 - xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- (B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the notice of the Postal Ballot and e-voting instructions cannot be serviced, will have to follow the following process:
- i. Members who have not registered their email address and in consequence the notice of the Postal Ballot and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFin, by accessing the link: <https://ris.kfintech.com/clientservices/postalballot/registration.aspx>

Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.
 - ii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.
- e. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFin Website) or contact Mr. N Shiva Kumar, Deputy Manager, at shivakumar.n@kfintech.com / evoting@kfintech.com or call KFin toll free No. 1-800-309-4001 for any further clarifications.

	By order of the Board of Directors For Centum Electronics Limited
	Sd/-
Place : Bangalore	Nagaraj K V
Dated : September 2, 2021	Company Secretary



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

Item No. 1 & 2

Equity based compensation is an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives. It is thought expedient to attract and retain key management personnel including certain specified Director(s) whether whole-time or not, of the Company and of its subsidiary company(ies) (hereinafter referred to as "Employees") with a view to achieve and maintain sustained corporate growth and profitability. At the same time, it is essential to motivate and incentivise such Employees for their hard work, dedication, and commitment. With a view to achieve these objectives, your Company intends to implement '**Centum Electronics Limited - Restricted Stock Unit Plan 2021**' ("**RSU 2021**" / "**Plan**") which is in the nature of an employee stock option plan with salient features explained below.

Accordingly, the Nomination and Remuneration Committee of the Board and the Board of the Company ("Board") at their respective meetings held August 14, 2021 had approved the Plan subject to your approval.

As per provisions of Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEBSE Regulations"), the Company seeks your approval for the implementation of the Plan and grant of RSUs to the eligible Employees.

The main features of the RSU 2021 are as under:

a) Brief description of the RSU 2021:

The Company proposes to introduce RSU 2021 with a view to give long term benefit to the eligible Employees of the Company or its subsidiary companies by giving a share in the value they create in future. The RSU 2021 contemplates grant of restricted stock units ("RSUs") in the nature of employee stock options, at the face value but subject to achievement of timeline and performance condition(s) as determined from time to time. Due to higher potential per RSU it is an effective equity based plan that benefits the Employee. It also helps in Employee retention and results in lesser equity dilution for the existing Shareholders.

Every grant of RSU shall be followed by vesting. After vesting, the eligible Employees earn a right (but not obligation) to exercise the vested RSUs within the predefined exercise period. The Company shall issue shares upon exercise of vested RSUs subject to payment of exercise price and consequential tax obligations.

The Nomination and Remuneration Committee ("Committee") of the Company shall administer RSU 2021. All questions of interpretation of the RSU 2021 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in RSU 2021.

b) Total number of options/ RSUs to be granted:

The total number of RSUs to be granted under RSU 2021 shall not exceed 1,75,000 (One Lakh Seventy Five Thousand) which upon exercise shall be convertible into 1,75,000 (One Lakh Seventy Five Thousand) equity shares of the Company of Rs.10 each fully paid up.

Further, the SEBI SBEBSE Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the RSUs granted in accordance with Regulation 5(3) read with Part B of Schedule I of the SEBI SBEBSE Regulations. In this regard, the Committee shall adjust the number and to the extent allowed the price of the RSUs in such a manner that the total value of the RSUs remains the same after any such corporate action. Accordingly, if any additional RSUs are issued by the Company to the RSU grantees for making such fair and reasonable adjustment, the ceiling of RSUs and shares aforesaid shall be deemed to be modified accordingly.



c) Identification of classes of Employees entitled to participate in RSU 2021:

Following classes of Employees are entitled to participate in RSU 2021:

- i. a permanent employee of the Company working in India or outside India;
- ii. a director of the Company, whether whole-time or not, including non-executive directors who are not a part of the promoter or promoter group, but excluding independent directors (as defined under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; or
- iii. an employee, as defined in sub-clauses (i) or (ii) in this Para, of a Subsidiary Company, in India or outside, 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 relatives or through any-body corporate, directly or indirectly holds more than 10% of the outstanding shares of the Company;

d) Requirements of vesting and period of vesting:

RSUs granted under the Plan would vest on the basis of continuation of employment as on relevant date of vesting as a pre-requisite condition. Additional vesting conditions may be imposed based on individual or corporate performance parameters as decided by the Committee at the time of grant of RSUs which shall be communicated to the individual Employees.

RSUs granted under this Plan would vest not earlier than minimum vesting period of 1 (One) year, or such other minimum vesting as may be prescribed under the applicable Law/Regulations but not later than maximum vesting period of 8 (Eight) years from the date of grant of such RSUs. The exact vesting schedule within this band of vesting shall be determined by the Committee and shall be specified to the Employees at the time of grant of RSUs.

e) Maximum period within which the options/ RSUs shall be vested:

RSUs granted under the Plan shall vest not later than a maximum of 8 (eight) years from the date of grant of RSUs, or such other shorter period as may be prescribed by the Committee at time of grant.

f) Exercise price or pricing formula:

The exercise price per RSU shall be the face value of underlying share as on date of exercise of such RSU.

g) Exercise period and the process of exercise:

In case of continuation of employment/ service, Vested options shall be exercised by the grantee within the maximum exercise period of 5 (Five) years from the date of last vesting of RSUs, or such other shorter period as may be prescribed by the Committee at time of grant.

The Plan envisages shorter exercise periods than that specified above in case of separation from employment/ service on account of specified reasons. In case of termination for cause, there shall not be any exercise period as all the vested RSUs shall lapse forth with.

The vested RSUs, as permitted under the Plan, shall be exercisable by the Employees by a written application to the Company expressing their desire to exercise such RSUs in such manner and in such format and in such numbers as may be prescribed by the Committee from time to time. The vested RSUs shall lapse, if not exercised within the specified exercise period.



h) Appraisal process for determining the eligibility of Employees under RSU 2021:

The appraisal process for determining the eligibility of the Employees shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company/ its subsidiary, performance during the previous years, potential contribution towards strategic growth, team building, succession, cross-functional relationship, corporate governance and such other parameters as may be decided by the Committee from time to time.

i) Maximum number of options/ RSUs to be issued per employee and in aggregate:

The maximum number of RSUs that may be granted under RSU 2021 to any eligible Employee per grant and in aggregate shall be lesser than 1% (One Percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.

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

The maximum quantum of benefits that will be provided to every eligible Employee under the Scheme will be the difference between the market value of Company's Share on the Stock Exchanges as on the date of exercise of RSUs and the Exercise Price paid by the Employee.

k) Implementation or administration of the RSU 2021:

RSU 2021 shall be implemented and administered directly by the Company without forming or involving any trust.

l) Source of acquisition of shares under the RSU 2021:

RSU 2021 envisages issue of primary shares against exercise of vested RSUs.

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:

RSU 2021 envisages direct implementation without intervention of any trust and thus, this is not applicable.

n) Maximum percentage of secondary acquisition:

RSU 2021 envisages issue of primary shares and there is no contemplation of secondary acquisition.

o) Accounting and Disclosure Policies:

The Company shall comply with the prevailing accounting policies of employee share-based payments as notified by the competent authorities from time to time, including the disclosure requirements prescribed under Regulation 15 of SEBI SBEBSE Regulations.

p) Method of option/ RSU valuation:

The Company shall adopt 'fair value method' for valuation of RSUs as prescribed under applicable Accounting Standard notified by the competent authorities from time to time.

q) Declaration:

In case the Company opts for expensing of share based employee benefits using the intrinsic value at any time due to any regulatory or other requirement, 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 RSUs and the impact of this difference on profits and on earning per share (EPS) of the Company shall also be disclosed in the Board's report.



r) Period of lock-in:

RSU 2021 shall not have any lock-in period unless otherwise decided by the Committee from time to time.

s) Terms and conditions for buyback, if any, of specified securities covered under these regulations:

Subject to compliance of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as applicable from time to time, the Company is prohibited to issue any shares or other specified securities during the period of the buy-back offer is open. In such cases, the vested RSUs, as permitted under the Plan, shall be exercisable by the eligible Employees only after the closure of buy-back offer.

Your consent is sought pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Regulation 6 of the SEBI SBEBSE Regulations.

A draft copy of RSU 2021 is available on the Company's website (www.centumelectronics.com) to facilitate online inspection till the date of announcement of the results of this Postal Ballot

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned financially or otherwise in the resolutions, except to the extent of their entitlements determined lawfully, if any, under RSU 2021.

In the light of above, your Board recommends your approval of item numbers 1 and 2 of the Notice as **Special Resolutions**.

	By order of the Board of Directors For Centum Electronics Limited
	Sd/-
Place : Bangalore	Nagaraj K V
Dated : September 2, 2021	Company Secretary