

CORPORATE OFFICE

15th Flr., D Wing, Trade World Bldg., Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013.
Tel No. 022- 66343312 -16 / 022-24963304 - 07 / 022-66109036 - 40

FACTORY ADDRESS

Unit 1. Survey Plot No.187/4/1/2,250, 251 P 257/1, & 258/3, Vill. Surangi, Silvassa, Dadra and Nagar Haveli 396230.
Unit 2. Survey Plot No.320/1/1/2/1/1,314/1,315&314/P, Vill. Surangi, Silvassa, Dadra and Nagar Haveli 396230.
Tel. No. 91-9081179797 / 91-9714109659

REGISTERED OFFICE

SRV NO. 187/4/1/2, Near Surangi Bridge, Surangi Dadra & Nagar Haveli Silvassa Dadra & Nagar Haveli Dn 396230.

Email: sales@sanathan.com

COMPANY IDENTIFICATION NO. L17299DN2005PLC005690

Date: March 07, 2025

| | |
|--|---|
| To, National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400051. | BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001. |
|--|---|

Scrip Code: **544314**

Trading Symbol: **SANATHAN**

Ref. No: - **2024-2025/Mar25/025**

Dear Sirs/Madam,

Sub: Disclosure of Postal Ballot Notice under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

We hereby submit, pursuant to regulation 30 of the Listing Regulations and with reference to the circular resolution passed by the Board of Directors of Sanathan Textiles Limited ("**the Company**") and intimation of Calendar of events filed by the Company, please find enclosed herewith copy of the postal ballot notice along with explanatory statement dated February 28, 2025 ("**Notice**") to seek approval of the shareholders for the following special resolution:

| Sr. No. | Particulars |
|---------|---|
| 1. | To ratify Sanathan Textiles Limited – Employee Stock Option Plan – 2021 ("ESOP 2021"/ "Scheme") |

The Notice is being sent only through electronic mode to those members of the Company whose e-mail addresses are registered with the Company/Depositories and 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 Thursday, March 06, 2025 ("**Cutoff date**"), seeking their approval as set out in the Notice.

The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its members.

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The remote e-voting period commences from 9.00 AM (IST) on Sunday, March 09, 2025, and ends at 5.00 PM (IST) on Monday, April 07, 2025. The results of the postal ballot will be announced on Wednesday, April 09, 2025.

The postal ballot notice is also available on the Company's website at www.sanathan.com

We request you to take the same on your record.

Thanking You,

Yours faithfully,
For Sanathan Textiles Limited

Jude Patrick Dsouza
Company Secretary and Compliance Officer

Encl: As above.



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POSTAL BALLOT NOTICE

[Pursuant to Section 108 and 110 of the Companies Act, 2013 read with Rules 20 & 22 of the Companies (Management and Administration) Rules, 2014]

To the Members of Sanathan Textiles Limited

Notice is hereby given that the resolutions set out below are proposed for approval by the members of Sanathan Textiles Limited ("the Company") by means of Postal Ballot, by way of postal ballot and remote e-voting ("e-voting") being provided by the Company to all its members to cast their votes electronically, pursuant to Sections 108 and 110 of the Companies Act, 2013 ("the Act"), Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules") and other applicable provisions of the Act and the Rules, read with General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 and other relevant circulars and subsequent circulars issued in this regard, the latest being, General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs ("MCA Circulars"), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India and other applicable laws, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Explanatory Statement, pursuant to the provisions of Section 102(1) and other applicable provisions of the Act read with the Rules, setting out all material facts relating to the resolutions proposed in this Postal Ballot Notice, is also attached.

The Board of Directors has appointed Mr. Devendra V Deshpande of M/s. DVD & Associates, Practicing Company Secretary (FCS No. 6099 and COP no. 6515), as Scrutinizer for conducting the Postal Ballot, through the e-voting and postal ballot process, in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose. The Scrutinizer's decision on the validity of the votes cast in the Postal Ballot shall be final.



The Board has authorized the 'Nomination and Remuneration Committee' to discharge the responsibilities of the 'Compensation Committee' in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. Accordingly, both terms shall be used interchangeably herein after.

The Company has engaged the services of National Securities Depository Limited ("NSDL) as the agency to provide e-voting facility.

Members are requested to read the instructions given in the Notes to this Postal Ballot Notice so as to cast their vote electronically. The votes can be cast during the following voting period:

| | |
|---------------------------|---|
| Commencement of e-voting: | Sunday, March 09, 2025, at 09:00 a.m. (IST) |
| End of e-voting: | Monday, April 07, 2025 at 05:00 p.m. (IST) |

The Scrutinizer will submit his report, after the completion of scrutiny. The results of e-voting will be announced on or before Wednesday, April 09, 2025, and will be displayed on the Company's website at www.sanathan.com and the website of NSDL at <https://www.evoting.nsdl.com/>

The results will simultaneously be communicated to the Stock Exchanges on which the Equity Shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, within 2 (two) working days from the conclusion of e-voting. The resolutions, if approved, shall be deemed to have been passed on the last date of remote e-voting, i.e. Monday, April 07, 2025.

You are requested to peruse the proposed resolution along with the Explanatory Statement and thereafter accord your assent or dissent by means of remote e-Voting facility provided by the Company.

SPECIAL BUSINESS

To ratify Sanathan Textiles Limited - Employee Stock Option Plan - 2021 ("ESOP 2021" / "Scheme")

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

"RESOLVED THAT pursuant to the provisions of section 62 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read along with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, and other applicable provisions under of the Act, Regulation 12 and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time ("SEBI SBEB Regulations") and other applicable laws/ rules/ regulations (including any statutory amendment, modification or re-enactment thereof, for the time being in force), the relevant provisions of the Memorandum of Association and Articles of Association of the Company and subject to such other approvals, permissions, sanctions, consents as may be required from appropriate authorities/ bodies and subject to such conditions and modifications as may be prescribed or imposed by such authorities/ bodies while granting the approvals, permissions, sanctions and consents referred to above, the Sanathan Textiles Limited - Employee Stock Option Plan - 2021 ("ESOP 2021" / "Scheme" / "Pre-IPO Scheme"), as approved by the Members of the Company on November 25, 2021, prior to the listing of Equity Shares of the Company on the BSE Limited and the National Stock Exchange of India Limited ("Stock Exchanges"), consequent to the listing of Equity Shares of the Company on December 27, 2024, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby ratified within the meaning of the SEBI SBEB Regulations, and the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination and Remuneration Committee/Compensation Committee which the Board has constituted, or any other committee constituted/ to be constituted by the Board) which is authorized to create, offer, issue , grant and allot or forfeit from time to time, in one or more tranches, not exceeding 8,00,000 (Eight Lakh) Employee Stock Options (as defined in the Scheme) ("ESOPs" / "Options") to the Employees (as defined in the Scheme), on such terms and conditions as provided in the Scheme, which ESOPs shall be exercisable into not more than 8,00,000 (Eight Lakh) Equity Shares of the Company of face value of ₹ 10/- (Rupees Ten Only) each fully paid-up ("Shares"), where one ESOP would convert into one Equity Share upon exercise, on such terms and in such manner, in accordance with the provisions of the applicable laws and the provisions of the Scheme.

RESOLVED FURTHER THAT the authority granted to the Nomination and Remuneration Committee of the Board to grant ESOPs under the Scheme be and is hereby ratified.

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 ESOPs are granted or Equity Shares are issued by the Company, then for the purpose of making a fair and reasonable adjustment to the ESOPs granted earlier, the ceiling of total number of ESOPs and Equity Shares specified above, shall be deemed to be increased to the extent of such additional ESOPs granted or 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 eligible employees 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 Share of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said eligible employee.

RESOLVED FURTHER THAT the Board or its Committee, be and is hereby authorized to make any modifications, changes or revisions in the Scheme or terms of options granted from the Pre-IPO Scheme, as it may deem fit, in the interest of the employees and the members, provided that the same is in conformity with the Act, the Companies (Share Capital and Debenture) Rules, 2014, the SEBI SBEB Regulations, the Memorandum of Association and Articles of Association of the Company and any other applicable laws and to do all other acts, deeds, matters and things as are necessary to give effect to the above resolution and with power on behalf of the Company to settle any questions or difficulties that may arise with regard to the creation, grant, offer, issue and/ or allotment of Equity Shares without requiring the Board to secure any further consent or approval of the Members of the Company in this regard, be and is hereby ratified.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, any Director or the Company Secretary and Compliance Officer of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things, including to settle any question, difficulty or doubt that may arise, to obtain approvals, statutory, contractual or otherwise in relation to the above, to finalise and execute all documents and writings as may be necessary and make such filings/ applications with the authorities/ bodies including the Registrar of Companies, Ahmedabad.

RESOLVED FURTHER THAT any of the directors or the Company Secretary and Compliance Officer of the Company be and are hereby severally authorized to issue

certified true copies of the above resolutions and the same may be forwarded to any concerned authorities for necessary action.”

Date: February 28, 2025

By Order of the Board of Directors

Place: Mumbai

Sd/-

Jude Patrick Dsouza

Company Secretary and Compliance Officer

NOTES:

1. The Explanatory Statement pursuant to Sections 102 and 110 of the Act read with the applicable rules made thereunder, setting out the material facts and the reasons/rationale for the proposal is annexed hereto and forms part of this Postal Ballot Notice.
2. In compliance with the MCA Circulars, this Postal Ballot Notice is being sent to those members whose names appear on the register of members / register of beneficial owners as on Thursday, March 06, 2025 (“Cut-Off Date”) received from the Depositories and whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories.
3. This Postal Ballot Notice will also be available on the Company’s website at www.sanathan.com , websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at <https://www.evoting.nsdl.com/> .
4. In accordance with the MCA Circulars, Members who have not registered their e-mail address are requested to register the same with the Depository Participant(s) where they maintain their demat accounts.
5. Only a person, whose name is recorded in the register of Members / register of beneficial owners, as on the Cut-Off Date, maintained by the Depositories, shall be entitled to participate in the e-voting or ballot papers. A person who is not a member as on the Cut-Off Date, should treat this Postal Ballot Notice for information purpose only.

6. Voting rights of a member / beneficial owner shall be in proportion to his / her / its shareholding in the paid-up Equity Share capital of the Company as on the Cut-Off Date.
7. Pursuant to the provisions of Sections 108, 110 and other applicable provisions of the Act and the rules made thereunder, the MCA Circulars, Regulation 44 of the Listing Regulations read with Section VI-C of the SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November, 2024, as amended (“SEBI Master Circular”), and SS-2 and any amendments thereto, the Company is providing the facility to the Members to exercise their right to vote on the proposed resolutions electronically. The instructions for e-voting are provided as part of this Postal Ballot Notice.
8. The e-voting period commences at 9:00 a.m. (IST) on Sunday, March 09, 2025, and ends at 5:00 p.m. (IST) on Monday, April 07, 2025. The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be forthwith disabled by NSDL upon expiry of the aforesaid period.
9. The resolutions, if approved, shall be deemed to have been passed on the last date of e-voting i.e., Monday, April 07, 2025.
10. All the documents referred to in this Postal Ballot Notice will be available for inspection electronically without any fee by the Members from the date of circulation of this Postal Ballot Notice until the last date of e-voting. The Members seeking to inspect the documents can send an email to investors@sanathan.com or on evoting@nsdl.com.

11. PROCEDURE FOR E-VOTING:

i. E-VOTING FACILITY

- The Company is providing e-voting facility of NSDL to its Members to exercise their right to vote on the proposed resolution by electronic means.
- The e-voting facility will be available during the following voting period:

| | |
|---------------------------|---|
| Commencement of e-voting: | Sunday, March 09, 2025, at 09:00 a.m. (IST) |
| End of e-voting: | Monday, April 07, 2025 at 05:00 p.m. (IST) |

The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be forthwith disabled by NSDL upon expiry of the aforesaid period.

ii. INFORMATION AND INSTRUCTIONS RELATING TO E-VOTING:

- a. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
- b. INFORMATION AND INSTRUCTIONS FOR E-VOTING BY INDIVIDUAL SHAREHOLDERS HOLDING SHARES OF THE COMPANY IN DEMAT MODE: As per the SEBI Master Circular, all “individual shareholders holding shares of the Company in demat mode” can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. The procedure to login and access e-voting, as devised by the Depositories / Depository Participant(s), is given below:

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ARE AS UNDER: -

Remote e-voting: 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, and Regulation 44 of the Listing Regulations, read with SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November, 2024, as amended (“SEBI Master Circular”), Members are provided with the facility to cast their vote electronically, through any of the modes listed below, on all resolutions set forth in this Notice, by way of remote e-voting:

PROCEDURE TO LOGIN THROUGH WEBSITES OF DEPOSITORIES

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

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

Step 1: Access to NSDL e-Voting system





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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and

Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

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

| | |
|---|---|
| | <p>Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p> <div style="display: flex; justify-content: space-around;">   </div> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New |

| | |
|--|---|
| | <p>System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> |

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

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

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

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

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

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

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@sanathan.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@sanathan.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.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013
READ WITH RULE 22 OF THE COMPANIES (MANAGEMENT AND
ADMINISTRATION) RULES, 2014**

The following Statement sets out all material facts relating to the Special Business proposed in this Postal Ballot Notice:

The Company adopted “Sanathan Textiles Limited – Employee Stock Option Plan Scheme – 2021” (ESOP) approved by the Board of Directors in their meeting held dated November 22, 2021 and by the Shareholders in their meeting held dated November 25, 2021, prior to the listing of the Equity Shares (IPO) of the Company on both the Stock Exchanges.

In terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ("SEBI (SBEB) Regulations"), no company shall make any fresh grant of employee stock options which involves allotment or transfer of shares to its employees under any schemes/ plans formulated prior to its Initial Public Offering ("IPO") and prior to the listing of its Equity Shares ("Pre-IPO Scheme/Plan") unless such Pre-IPO Scheme/ Plan (i) is in conformity with the SEBI (SBEB) Regulations; and (ii) is ratified by its Shareholders subsequent to the IPO. Further, as per proviso to Regulation 12(1) of the SEBI (SBEB) Regulations, the ratification under clause (ii) may be done any time prior to grant of new options or shares under such pre-IPO scheme/ plan.

Further in terms of regulation 12(2) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ("SEBI (SBEB) Regulations") no Company shall make change in terms of options or shares or SAR issued under such pre- IPO schemes, whether by repricing, change in vesting period or maturity or otherwise unless prior approval of the shareholders, by way of special resolutions, is taken for such a change, except for any adjustments for corporate actions made in accordance with these regulations.

Considering that the Company undertook the IPO of its Equity Shares, and its Equity Shares got listed on the BSE Limited and the National Stock Exchange of India Limited with effect from December 27, 2024, in terms of the Regulation 12(1) & 12(2) of the SEBI (SBEB) Regulations, the Company seeks approval from its shareholders to ratify the Scheme and vary the terms of options of the scheme, to the extent required.

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, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.

The Board on Friday, February 28, 2025 based on the recommendation of the Nomination and Remuneration Committee ("Committee") and subject to approval of the Members of the Company, have consented the proposal for ratification of the Scheme and vary the terms of options of the scheme.

Accordingly, approval from the Members of the Company is being sought.

Capitalized terms used but not defined in the table below, shall have the meaning assigned to them under the Scheme or under the Act, Regulation governing /applicable to the Company.

The disclosures as required under the applicable laws are as follows:

| Sr. No. | Particulars | Details |
|----------------|--|---|
| a. | Brief Description of the Scheme | Keeping in view the objectives mentioned above, the Scheme contemplates grant of Employee Stock Options ("ESOPs"/ "Options") (as defined in the Scheme) to the eligible employees (refer to para (c) below), as determined in terms of the Scheme and in due compliance with applicable laws. After vesting of ESOPs, the eligible employees earn a right (but not an obligation) to exercise the vested ESOPs within the exercise period and be allotted Equity Shares of the Company subject to payment of the exercise price and satisfaction of any tax obligation arising thereon. The eligible employees are expected to get benefit in line with creation of value for the shareholders. |
| b. | the total number of options, SARs, shares or benefits, as the case may be, to be offered and granted | The maximum number of ESOPs to be granted under the Scheme shall not exceed 800,000 (Eight Lakh) Options which if exercised would be converted into One Equity Share ("Share") of the Company of face value of Rs. 10/- (Rupees Ten Only) fully paid up. |

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| c. | Identification of classes of employees entitled to participate and be beneficiaries in the scheme | <p>The term Employee”, except in relation to issue of sweat Equity Shares, means, -</p> <p>a) an employee as designated by the company, who is exclusively working in India or outside India; or b) a director of the company, whether a whole time director or not, including a non- executive director who is not a promoter or member of the promoter group, but excluding an independent director; or c) an employee as defined in sub-clauses (i) or (ii), of a group company including subsidiary or its associate company, in India or outside India, or of a holding company of the company, but does not include -</p> <p>(i) an employee who is a promoter or a person belonging to the promoter group; or (ii) a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding Equity Shares of the company.</p> |
| d. | Requirements of vesting and period of vesting | <p>(i)The Options Granted under ESOP 2021 would Vest not earlier than one year from the date of Grant of such Options in accordance with the SEBI Regulations subject to the maximum Vesting Period of up to 10 years. Vesting of Options would be a function of continued employment with the Company (passage of time) and achievement of performance criteria as specified by the Compensation Committee as communicated on Grant of Options. The specific Vesting schedule and conditions, if any, subject to which Vesting would take place would be outlined in the Letter of Grant given to the Grantee at the time of the Grant of Options.</p> <p>(ii)Notwithstanding the above, the Compensation Committee may (i) not Vest any of the Options already Granted or (ii) Vest such lesser number of Options than as already Granted, in the event it is found that the Grantee has not satisfied any Vesting</p> |

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| | | Condition or has not performed upto the expectations or has not been regularly attending the office for a substantial period of time without any valid reason or authority or has been put on a modified employment arrangement such as part-time working, reassignment to lower accountability, sabbatical, leave without pay, or is found to be guilty of fraud or misconduct or has violated the Company policies/terms of employment or such other circumstances as the Compensation Committee may in its absolute discretion decide. |
| e. | The maximum period within which the options shall be vested | The ESOPs granted shall vest no later than 10 (Ten) years from the date of grant of such ESOPs. |
| f. | Exercise price, purchase price or pricing formula | <p>The Exercise Price per option shall be as determined by the Compensation Committee and shall not be less than the face value of the Equity Shares.</p> <p>The Compensation Committee may consider the Market Price of the Equity Shares as on the date of grant for determining the Exercise Price.</p> <p>Further the Exercise Price can be different for different set of employees for options granted on different dates</p> |
| g. | Exercise period/ offer period and process of exercise/ acceptance of offer | As per Annexure-A below. |
| h. | The appraisal process for determining the eligibility of employees for the scheme | 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 at its sole discretion, from time to time. |
| i. | Maximum number of options, shares, to be offered and issued per employee and in aggregate, if any | The maximum number of Options under Scheme that may be granted to each Employee per Grant and in aggregate, shall not exceed the total pool size. |

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| j. | Maximum quantum of benefits to be provided per employee under a scheme | There is no maximum quantum of benefits per Employee except the total number of ESOPs that can be granted pursuant to the Scheme as stated in para (i) above. |
| k. | Whether the Scheme is to be implemented and administered directly by the Company or through a trust | The Scheme shall be implemented and administered directly by the Company. |
| l. | Whether the Scheme involves new issue of shares by the Company or secondary acquisition by the trust or both | New issue of Equity Shares by the Company |
| m. | The amount of loan to be provided for implementation of the Scheme by the Company to the trust, its tenure, utilisation, Repayment terms, etc. | NA |
| n. | Maximum percentage of secondary acquisition that can be made by the Trust for the purposes of the Scheme | NA |
| o. | A statement to the effect that the company shall conform to the accounting policies specified in regulation 15 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 | The Company shall follow the requirements including the disclosure requirements of the Accounting Standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time. |
| p. | The method which the Company shall use to value its options | The Company shall adopt 'fair value method' for valuation of ESOPs or any other method as prescribed in the accounting standard/ guidance |

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| | | note, as applicable, notified by competent authorities from time to time. |
| q. | Lock-in period, if any | The Compensation Committee may specify Lock-in Period, if any, as it deems appropriate and shall specify the same in Letter of Grant while granting Options in respect of the Shares, which may be issued and allotted on Exercise of such Options Granted pursuant to this ESOP 2021. |
| r. | Terms & conditions for buyback, if any, of specified securities covered under these regulations | <p>The procedure for buy-back of specified securities issued under the SEBI SBEB Regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:</p> <ul style="list-style-type: none"> (i) permissible sources of financing for buy-back; (ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and (iii) limits upon quantum of specified securities that the company may buy-back in a financial year. |

Annexure-A

Exercise Period

a. Exercise Period while in employment:

The Options Granted to a Grantee shall be capable of being Exercised in part or full within a period of two years from the date of Vesting of the respective Options or such other period as may be determined by the Compensation Committee from time to time. The Options cancelled or lapsed or surrendered without being exercised will be available for further Grant under ESOP 2021.

b. Exercise Period in case of separation from employment:

Exercisability of the Vested Options shall be as under:

| Sr. No. | Events of Separation | Details |
|---------|----------------------|---|
| 1. | In case of death | In the event of the death of a Grantee while in employment with the Company (including its Holding or Subsidiary Company as the case may be), all the Unvested Options granted to him shall Vest in his nominee(s)/legal heir(s)/successor(s) on the date of death. All the Options (including those which Vest upon the death of the Grantee) shall be Exercised by the nominee(s)/legal heir(s)/successor(s) of the Grantee within two years from the date of death of the Grantee (subject to the last date of Exercise not exceeding two years from the date of each Vesting of Options), failing which Options not exercised shall lapse. The mode of nominating any person as a |

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| | | <p>nominee would be prescribed by the Compensation Committee.</p> <p>In case of the death of any Grantee who has not nominated any person(s), the Options Granted shall be Exercisable by the legal heir(s)/successor(s) of such Grantee, provided however that the legal heir(s)/successor(s) shall be required to produce/furnish to the Company all such documents/indemnities as may be required by the Company to prove the succession to the assets of the deceased Grantee</p> |
| 2. | In case of Permanent Disability | <p>In the event of separation of a Grantee due to reasons of Permanent Disability, all the Unvested Options Granted to him shall Vest in him immediately on the date of such Permanent Disability. All the Options (including those which Vest upon the Permanent Disability of the Grantee) shall be Exercised by him within two years from the date of separation on account of such Permanent Disability (subject to the last date of Exercise not exceeding two years from the date of each Vesting of Options), failing which Options not exercised shall lapse.</p> |
| 3. | In the case of retirement | <p>In the event of separation from employment for reasons of normal retirement or a Retirement specifically approved by the Company:</p> <p>In case of Unvested Options: All Unvested Options, which are, in terms of the applicable Vesting Schedule, scheduled for Vesting within 12 months from the date of Retirement of the Grantee will Vest</p> |

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| | | <p>on the due dates as per applicable Vesting Schedule outlined in the Grant Letter and the balance Unvested Options will lapse on the date of Retirement, unless otherwise determined by the Compensation Committee whose determination shall be final and binding.</p> <p>After the date of Retirement, all Vested Options shall be exercisable by the Grantee within six months from the date of Retirement, subject to the last date of Exercise not exceeding two years from the date of each Vesting of Options.</p> |
| 4. | In the case of resignation | <p>In the event of resignation, all Unvested Options, on the date of submission of resignation to the company, shall expire and stand terminated with effect from that date. However, all Vested Options as on such date shall be exercisable by the Grantee within three months of his last working day with the Company, subject to the last date of Exercise not exceeding two years from the date of each Vesting of Option.</p> |
| 5. | In the case of abandonment of employment | <p>In the event of abandonment of employment by a Grantee without the Company's consent, all Options granted to such Grantee, including the Vested Options, which were not exercised prior to the abandonment of employment, shall stand terminated with immediate effect.</p> <p>The Compensation Committee, at its sole discretion shall decide the date of abandonment of employment by an Employee and such decision shall be final and binding on all concerned.</p> |

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| 6. | In case of transfer or deputation to any other entity | In the event a Grantee is transferred or deputed by the Company to any other entity (and provided that, during the relevant Vesting Period, the Grantee continues to be in employment with any entity subsequent to the transfer from the Company), the treatment of all Vested and Unvested Options, may be as determined by the Compensation Committee whose determination shall be final and binding. The Compensation Committee may also decide on the acceleration of vesting of those Options subject to minimum of One year from the date of Grant of those Options. |
| 7. | In case of breach of Company policies or terms of employment | In the event of termination of the employment of a Grantee due to breach of Company policies/terms of employment, all Options Granted to such Grantee, including the Vested Options which were not Exercised prior to such breach, shall stand terminated with immediate effect. The date of such breach shall be determined by the Compensation Committee, and its decision on this issue shall be final and binding on all concerned. |

c. Process of Exercise

The Grantee may, at any time during the Exercise Period, and subject to fulfilment of conditions of the Grant and Vesting, as applicable, Exercise the Options by submitting Exercise Application to the Company, for issuance and allotment of Shares pursuant to the Vested Options, accompanied with the:

- i) payment of an amount equivalent to the Option Exercise Price in respect of such Shares; and/or
- ii) such other documentation as the Compensation Committee may specify to confirm extinguishment of the rights comprising in the Options then Exercised, subject to Applicable Law.

The Exercise Application shall be in such form as may be prescribed in this regard by the Compensation Committee and the Compensation Committee may determine the procedure for such Exercise from time to time.

d. Exercise Period

The Options Granted to a Grantee shall be capable of being Exercised in part or full within a period of two years from the date of Vesting of the respective Options or such other period as may be determined by the Compensation Committee from time to time. The Options cancelled or lapsed or surrendered without being exercised will be available for further Grant under ESOP 2021.

A copy of the Scheme is available for inspection at the Company's registered office and corporate office, during official hours on all working days. Also, Members seeking to inspect the same can send an email to investors@sanathan.com. The Scheme is also available at the website of the Company at www.sanathan.com

None of the Directors or Key Managerial Personnel (as defined under the Act) or Senior Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, except to the extent that the employee stock options that are or may be granted to any of them pursuant to the Scheme.

The Board thereby recommends passing of the resolutions as set out in this notice for approval of the Members as a special resolution.
