

8th March, 2022

The General Manager,
Corporate Relationship Dept.,
BSE Limited,
PhirozeJeejeebhoy Towers
Dalal Street
Mumbai-400 001
Scrip Code: 531548

The Secretary,
National Stock Exchange of India Limited,
Exchange plaza, 5th Floor,
Bandra-Kurla Complex,
Bandra (E), Mumbai-400 051
Symbol: SOMANYCERA

Subject: Postal Ballot Notice

Dear Sir/ Madam,

Pursuant to Regulation 30 read with Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Postal Ballot Notice dated December 10, 2021 along with the Explanatory Statement. The resolutions proposed to be passed by the members through Postal Ballot only through the remote e-voting process are enclosed as Annexure-I. The Postal Ballot Notice can also be accessed at www.somanyceramics.com

In compliance with the applicable circulars issued by the Ministry of Corporate Affairs, the Postal Ballot Notice is being sent to the Members of the Company who have their email addresses registered with the Company/Depositories and whose names appear in the Register of Members/List of Beneficial Owners as received from Depositories as on Friday, 4th March, 2022 through electronic mode only.

Please note that the remote e-voting period commences on Wednesday, 9th March, 2022 at 9:00 a.m. IST and ends on Thursday, 7th April, 2022 at 5:00 p.m. IST.

We request you to kindly take this in your record.

Thanking you,

Yours faithfully,

For **Somany Ceramics Limited**


Ambrish Julka
GM (Legal) and Company Secretary
M. No.:F4484



Encl: as above





SOMANY CERAMICS LIMITED

Regd. Office: 2, Red Cross Place, Kolkata, West Bengal-700001
CIN: L40200WB1968PLC224116, website: www.somanyceramics.com
Phone: 033-22487406/5913, E-mail: corporateaffairs@somanyceramics.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 (“the Act”) read with the Companies (Management and Administration) Rules, 2014]

Dear Shareholders,

Notice is hereby given pursuant to Section 108 and Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, (the Rules) read with General Circular No. 20/2021 dated December 08, 2021 (in continuation of Circular number 10/2021 dated June 23, 2021, 39/2020 dated December 31, 2020, 33/2020 dated September 28, 2020, 22/2020 dated June 15, 2020, 17/2020 dated April 13, 2020 and 14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs, Government of India (the “MCA Circulars”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (in continuation of Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020) issued under Regulation 101 (SEBI Circulars) and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to other applicable laws and regulations, the Company seeks approval of Shareholders via Postal Ballot through remote E-voting only (Voting through Electronic means) for the following:

1. Approval for adoption of Somany Ceramics Employee Stock Option Plan 2021 and grant of Employee stock options to the Eligible Employees/Directors of the Company thereunder-**Special Resolution**
2. Approval for adoption of Somany Ceramics Employee Stock Option Plan 2021 and grant of stock options to the Eligible Employees/Directors of group companies including Subsidiary or Associate Companies thereunder-**Special Resolution**

Members’ consent is sought for the proposals contained in the resolutions given in this Postal Ballot Notice. The Explanatory Statement pursuant to Sections 102 and 110 of the Act pertaining to the said resolutions setting out the material facts and related particulars is annexed hereto. The Notice will also be placed on the website of the Company (www.somanyceramics.com) and the website of CDSL.

In the event the **Special Resolutions** as set out in the notice are assented to by the requisite majority by means of e-Voting, they shall be deemed to have been passed at a General Meeting on the last date of e-voting i.e. Thursday, April 07, 2022.

In view of the current extraordinary circumstances due to COVID-19 pandemic and in compliance with the aforementioned MCA/SEBI Circulars, the Company is sending Postal Ballot Notice by email to all its Members who have registered their email addresses with the Company or depository/depository participants and the communication of assent / dissent of the Members will only take place through the remote e-Voting system. Members are required to communicate their assent or dissent through the remote e-voting system only.

The Board of Directors has appointed Mr. Akshit Kumar Jangid, Partner of M/s. Pinchaa & Company, Jaipur, having Membership No. F11285 and CP No. 16300 as Scrutinizer at its meeting held on December 10, 2021 for conducting the Postal Ballot through remote e-Voting process in a fair and transparent manner and in accordance with the provisions of the Companies Act, 2013 and the rules made there under.

Please note that there will be no dispatch of physical copies of Notices or Postal Ballot forms to the Members of the Company and no physical ballot forms will be accepted due to the COVID-19. Members are requested to carefully read the instructions in this Postal Ballot Notice and record their assent (FOR) or dissent (AGAINST) through the remote e-Voting process not later than 5.00 p.m. (IST) on Thursday, April 07, 2022. Remote e-Voting will be blocked by Central Depository Services (India) Limited (“CDSL”) immediately thereafter and will not be allowed beyond the said date and time.

After completion of scrutiny of the votes, the Scrutinizer will submit his Report to the Chairman of the Company or to any person authorised by him. The results of the voting conducted through Postal Ballot (through the remote e-Voting process) along with the Scrutinizer’s Report will be announced by the Chairman or such person as may be authorised by him, on or before Saturday, April 09, 2022. The same will be displayed on the website of the Company: www.somanyceramics.com, the website of CDSL: www.evotingindia.com and shall also be communicated to BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”), where the Company’s Equity Shares are listed and be made available on their respective websites viz. www.bseindia.com and www.nseindia.com

RESOLUTION NUMBER 1:

Approval for adoption of Somany Ceramics Employee Stock Option Plan 2021 and grant of employee stock options to the Eligible Employees/Directors of the Company thereunder.

To consider and if thought fit to pass, 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, read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time (hereinafter referred to as “SEBI (SBEB) Regulations”), Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time and in accordance with the provisions of any other applicable laws or regulations and such other approval(s), permission(s) and sanction(s) as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority(ies) while granting such approval(s), permission(s) and sanction(s), the approval of the Shareholders of the Company be and is hereby accorded to Board of Directors of the Company [hereinafter referred to as the “Board”, which term shall include the Nomination & Remuneration Committee (“Nomination & Remuneration Committee” which the Board has constituted to exercise its powers, including the powers, conferred by this resolution)], to adopt the **Somany Ceramics Employee Stock Option Plan 2021 (“the Plan”)** and to create, offer, and grant from time to time such number of Employee Stock Options (“Options”) to eligible employee as designated by the Company, who is whether working in India or outside India and to Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) and to such other persons as may from time to time be allowed to be eligible for the benefits of the stock options under applicable laws and regulations prevailing from time to time, as may be decided by the Nomination & Remuneration Committee under the Plan, exercisable into not more than 4,23,794 (Four lacs twenty three thousand seven hundred ninety four only) Options (i.e. 1% of the current fully paid up equity shares of the Company), each Option giving the right but not the obligation to the holder to subscribe to one fully paid-up Equity Share in the Company, of face value of Rs. 2/- each, directly by the Company and at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board/ Nomination &

Remuneration Committee in accordance with the provisions of the Somany Ceramics Employee Stock Option Plan 2021 and in due compliance with the applicable laws and regulations in force.”

“**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division, sub-division and/or consolidation of shares, or such other event, the Board / the Nomination & Remuneration Committee be and is hereby authorized to do all such acts, deeds and things as may be necessary and which are within the provisions of the applicable laws & regulations, so as to ensure the implementation of the **Somany Ceramics Employee Stock Option Plan 2021 (“the Plan”)** and ensure fair and equitable benefits under the Plan are passed on to the eligible employee(s) and that the Nomination and Remuneration Committee will also act as the Compensation Committee for effective administration and implementation of the Plan.”

“**RESOLVED FURTHER THAT** the Board/Nomination & Remuneration Committee be and is hereby authorised to issue and allot equity shares upon exercise of options from time to time in accordance with the Plan and such equity shares shall rank pari passu in all respects with the then existing equity shares of the Company.”

“**RESOLVED FURTHER THAT** the Board/Nomination & Remuneration Committee be and is hereby authorized to make from time to time such modification, variations, alterations or revisions in the said Plan as it may deem fit in conformity with the provisions of the Companies Act, 2013, SEBI Regulations and other applicable laws.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to appoint merchant banker, solicitors, professional firms and legal consultants or such other persons, as may be required, for implementation of the Plan, and to obtain in-principle approval, listing & trading approvals from Stock Exchanges and to settle all questions arising out of or incidental thereto.”

RESOLUTION NUMBER 2:

Approval for adoption of Somany Ceramics Employee Stock Option Plan 2021 and grant of stock options to the Eligible Employees/Directors of group companies including Subsidiary or Associate Companies under the Plan.

To consider and if thought fit to pass, 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, read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time (hereinafter referred to as “SEBI (SBEB) Regulations”), Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time and in accordance with the provisions of any other applicable laws or regulations and such other approval(s), permission(s) and sanction(s) as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority(ies) while granting such approval(s), permission(s) and sanction(s), the approval of the Shareholders 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 include the Nomination & Remuneration Committee (“Nomination & Remuneration Committee” which the Board has constituted to exercise its powers, including the powers, conferred by this resolution)] to adopt the **Somany Ceramics Employee Stock Option Plan 2021 (“the Plan”)** and to create, offer, and grant from time to time such number of Employee Stock Options (“Options”) within the limits prescribed under the Plan, to eligible employees working exclusively for the Group Companies including subsidiary(ies) or associate(s) whether working in India or out of India and to Directors of Group Companies including subsidiary(ies) or associate(s) (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the

Company) and to such other persons as may from time to time be allowed to be eligible for the benefits of the stock options under applicable laws and regulations prevailing from time to time, as may be decided by the Nomination & Remuneration Committee under the Plan, exercisable into such options as prescribed within the overall ceiling of not more than 4,23,794 (Four lacs twenty three thousand seven hundred ninety four only) Options (i.e. 1% of the current fully paid up equity shares of the Company) as per the plan above, each Option giving the right but not the obligation to the holder to subscribe to one fully paid-up Equity Share in the Company, of face value of Rs. 2/- each, directly by the Company and at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board / Nomination & Remuneration Committee in accordance with the provisions of the Somany Ceramics Employee Stock Option Plan 2021 and in due compliance with the applicable laws and regulations in force.”

“RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division, sub-division and/or consolidation of shares, or such other events, the Board/the Nomination & Remuneration Committee be and is hereby authorized to do all such acts, deeds and things as may be necessary and which are within the provisions of the applicable laws & regulations, so as to ensure the implementation of the **Somany Ceramics Employee Stock Option Plan 2021 (“the Plan”)** and ensure fair and equitable benefits under the Plan are passed on to the eligible employee(s) and that the Nomination and Remuneration Committee will also act as the Compensation Committee for effective administration and implementation of the Plan.”

“RESOLVED FURTHER THAT the Board/Nomination & Remuneration Committee be and is hereby authorised to issue and allot equity shares upon exercise of options from time to time in accordance with the Plan and such equity shares shall rank pari passu in all respects with the then existing equity shares of the Company.”

“RESOLVED FURTHER THAT the Board / Nomination & Remuneration Committee be and is hereby authorized to make from time to time such modification, variations, alterations or revisions in the said Plan as it may deem fit in conformity with the provisions of the Companies Act, 2013, SEBI Regulations and other applicable laws.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint merchant banker, solicitors, professional firms and legal consultants or such other persons, as may be required, for implementation of the Plan and to obtain in-principle approval, listing & trading approvals from Stock Exchanges and to settle all questions arising out of or incidental thereto.”

By Order of the Board
For Somany Ceramics Limited

Sd/-
(Ambrish Julka)

General Manager (Legal) & Company Secretary
M.No.: F4484

Place: Noida
Date: 10.12.2021

Notes:-

1. An Explanatory Statement pursuant to Section 102 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and other applicable provisions of the Companies Act, 2013 setting out the material facts concerning the Special businesses as set out in the Notice and the reasons thereof is annexed hereto.
2. In view of the ongoing COVID-19 pandemic and the provisions of General Circular No. 20/2021 dated December 08, 2021 (in continuation of Circular number 10/2021 dated June 23, 2021, 39/2020 dated December 31, 2020, 33/2020 dated September 28, 2020, 22/2020 dated June 15, 2020, 17/2020 dated April 13, 2020 and 14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars"), the postal ballot Notice is being sent to all the Members, through e-mail, whose names appear in the Register of Member/List of Beneficial Owners as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, March 04, 2022 (the cut-off date) and who have registered their e-mail address with the Company/Depository Participant (DP).
3. The Postal Ballot Notice is being sent by e-mail to all those Members who have registered their e-mail address with the Company or with their Depository Participants ("DP"). Members who have not registered their e-mail address may download the said Notice from the Company's website: www.somanyceramics.com or website of CDSL or may send request to the RTA of the Company at email id: mdpldc@yahoo.com
4. The Postal Ballot Notice is uploaded on the website of the Company i.e. www.somanyceramics.com and on the website of CDSL i.e. www.cdslindia.com
5. Voting rights shall be reckoned on the paid-up value of the shares registered in the names of the Members as on Friday, March 04, 2022 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or appears in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes. A person who is not a member as on the cut-off date, should accordingly treat this notice for information purposes only.
6. The Scrutinizer's decision on the validity of E-voting will be final.
7. In compliance with the provisions of Section 108 of the Act read with relevant Rules made thereunder and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and MCA Circular(s), the Company is pleased to provide Members, facility to exercise their right to vote on the matter included in this Notice of the Postal Ballot by electronic means i.e. through remote e-voting services provided by CDSL. Members exercising e-voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section "e-voting procedure".
8. On account of threat posed by COVID 19 pandemic and in terms of the MCA Circulars, the Company is sending Postal Ballot Notice in electronic form only and physical Postal Ballot 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 remote e-voting system only. Therefore, those shareholders who have not yet registered their email address are requested to get their email address registered by following the procedure given below:
 - (i) In light of the MCA Circulars, shareholders who have not registered their email address and in consequence could not receive the e-voting notice may temporarily get their email registered by contacting or writing a mail to Company's Registrar and Share Transfer Agent, M/s Maheshwari Datamatics Private Limited, at the email id- mdpldc@yahoo.com or Mr. Ambrish

Julka, GM (Legal) & Company Secretary at the email id-corporateaffairs@somanyceramics.com Post Successful registration of the email, the shareholder would get soft copy of the Notice and the procedure for e-voting along with the User ID and the Password to enable e-voting for this Postal Ballot. In case of any queries, shareholder(s) may write to mdpldc@yahoo.com

- (ii) It is clarified that for permanent registration of email 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, Maheshwari Datamatics Private Limited by following due procedure.
 - (iii) Those shareholders who have already registered their email address are requested to keep their email address validated with their Depository participants/the Company's Registrar and Share Transfer Agent, Maheshwari Datamatics Private Limited to enable servicing of notices/ documents/ Annual Reports electronically to their email address.
9. The Resolutions, if passed by requisite majority, will be deemed to have been passed on the last date specified for e-voting i.e. Thursday, April 07, 2022 in terms of the Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India upon the declaration of Result on or before Saturday, April 09, 2022.
10. The Scrutinizer shall after the conclusion of voting unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and submit a Scrutinizer's Report of the total votes cast in favour or against, if any on or before Saturday, April 09, 2022, to the Chairman of the Company or any other person authorized by him, who shall countersign the same. The result of the Postal Ballot will be announced by the Chairman of the Company or any other person authorized by him, on or before Saturday, April 09, 2022 at the deemed venue at F-36, Sector-6, Noida-201301 and shall also be displayed on the Notice Board of the Company's Registered Office. The result declared along with the Scrutinizer's Report shall also be uploaded on the Company's website i.e. www.somanyceramics.com and on the website of CDSL i.e. www.cdslindia.com and shall simultaneously be forwarded to the Stock Exchange(s).

11. THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on Wednesday, March 09, 2022 at 9:00 a.m. and ends on Thursday, April 07, 2022 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, March 04, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with

the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to above said SEBI Circular, Login method for remote e-Voting for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<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 URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service

	<p>provider website for casting your vote during the remote e-Voting period.</p> <p>2) If the user is 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</p> <p>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-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, 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. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
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 022-23058738 and 22-23058542-43.
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.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(iv) Login method for e-Voting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (3).

- 7) After entering these details appropriately, click on “SUBMIT” tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN of Somany Ceramics Limited to vote.
- 11) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 17) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; ppincha@gmail.com and corporateaffairs@somanyceramics.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like 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 Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

12. All the documents referred to in Resolutions and accompanying Explanatory Statement will be available for inspection at Investor Relations tab of website www.somanyceramics.com upto the last date of E-voting stated herein above.
13. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT, SETTING OUT ALL MATERIAL FACTS

ITEM NO. 1 & 2

Stock Options have long been recognized internationally as an effective instrument to align the interest of employees with that of the Company and its shareholders, providing wealth creation opportunities to employees linked to value creation, retain best performing and critical talent, and reward tenured employees for their past contribution. It creates a sense of ownership between the Company and its employees, paving the way for a unified approach to the common objective of enhancing overall Shareholders value.

The Company seeks approval of the Shareholders in respect of **Somany Ceramics Employee Stock Option Plan 2021 (“The Plan”)** and grant of Employee Stock Options (“Option”) to the eligible employees of the Company and its subsidiary(ies) and associate(s), as may be decided by Board and / or the Nomination and Remuneration Committee (“Committee”) from time to time in due compliance with Companies, Act, 2013 (including rules framed thereunder), SEBI (SBEB) Regulations and other applicable laws and regulations.

The following would inter alia be the broad terms and conditions of the Plan:

1. Brief description of the Plan

The objective of Somany Ceramics Employee Stock Option Plan 2021 (“the Plan”) is to align the interest of employees with that of the Company and its shareholders, provide wealth creation opportunities to employees linked to value creation, retain best performing and critical talent, and reward tenured employees for their past contribution. The Company views employee stock options as instruments that would enable the Employees to share the value they would create and contribute for the Company in the years to come.

2. Total Number of Options to be offered and granted

The total number of Options will not exceed 4,23,794 (Four lacs twenty-three thousand seven hundred ninety four only) i.e. 1% of the current fully paid up equity shares of the Company, which will be available for grant to eligible employees of the Company under the Plan. Each option (after it is vested) will be exercisable for one Equity share of Rs. 2/- (Rupees two only) each fully paid-up. Vested options that lapse due to non-exercise or unvested options that get cancelled due to resignation of the employees or otherwise would be available for being re-granting at a future date.

In case of any corporate action(s) such as rights issue, bonus issue, merger, sub-division, consolidation, sale of division or such other event, a fair and reasonable adjustment shall be made to the options granted.

The options granted to an employee shall not be transferred, pledged, hypothecated, mortgaged or otherwise alienated in any manner.

3. Identification of classes of employees entitled to participate and to be beneficiaries in the Plan

The following employees would be entitled to participate in the Plan:

- a) an employee as designated by the company, who is whether working in India or outside India;
- 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;
- c) An employee as defined in clause (a) or (b) of a group company including Subsidiary(ies) or its Associate Company(ies), in India or outside India, or of a holding company of the company.

Following persons are not eligible:

- a) An employee who is a Promoter or belongs to the Promoter Group;
- b) a Director who either by himself or through his relatives or through any Body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- c) an Independent Director

The Nomination & Remuneration Committee will determine the specific employees or class of employees who will be eligible for award of stock options based on the performance criteria and such other criteria as may be decided.

4. Transferability of Employee Stock Options:

The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option grantee, the right to exercise all the Options granted to him till such date shall be transferred to his legal heirs or nominees within the period as may be prescribed under the Plan.

5. Requirements of vesting and period of vesting

Vesting of the options shall take place over a maximum period of 7 years from the date of grant. The Nomination & Remuneration Committee at the time of grant may specify certain criteria linked to the individual and/or organisational performance or any other criteria as it may deem fit for all or a part of the Options, the fulfilment of which might be a requisite for the options to vest. The minimum vesting period will be 1 (One) year from the date of grant. Further in the event of death or permanent incapacity of an employee, the minimum vesting period of one year shall not be applicable.

6. Maximum Period within which the Options shall be vested

Vesting of the options shall take place over a maximum period of seven years from the date of grant.

7. Exercise Price

The exercise price shall be decided by the Nomination & Remuneration Committee in line with the SEBI Regulations. The Exercise price shall not exceed the fair market value as on the date of Grant and shall not be below the Face Value of the share.

8. Exercise Period and Process of exercise

The Exercise period shall commence from the date of Vesting of Options. The Exercise period shall be decided by the Nomination & Remuneration Committee subject to a maximum period of 7 years from the date of Vesting of options.

The options shall be exercisable by the employees by a written application or through any mode as may be prescribed by the Nomination & Remuneration Committee, to the Company to exercise the options in such manner, and on execution of such documents, as may be prescribed by the Nomination & Remuneration Committee.

9. The appraisal process for determining the eligibility of employees for the Plan;

The appraisal process for determining the eligibility of the employee will be specified by the Nomination & Remuneration Committee and may be based on criteria such as seniority of employee, length of service, past performance record, merit of the employee, future potential

contribution by the employee and/or such other criteria that may be determined by the Nomination & Remuneration Committee.

10. Lock-in period, if any;

The shares arising out of exercise of vested options under the Plan would not be subject to any lock-in-period after such exercise, except if any lock-in is required pursuant to applicable law.

11. Maximum number of options to be issued per employee and in aggregate, if any

The maximum number of options to be granted to any employee shall not exceed 25,000 options. The aggregate number of options under the plan shall not exceed 4,23,794 (Four lacs twenty-three thousand seven hundred ninety four only) i.e. 1% of the current fully paid up equity shares of the Company.

12. Method which the company shall use to value its options

Fair Value Method will be used to value the options as prescribed under 'Indian Accounting Standard (Ind AS) 102 Share-based Payment'. The Company shall follow the Guidance as mentioned under the 'Indian Accounting Standard (Ind AS) 102 Share-based Payment' or the relevant accounting standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

13. Conditions under which option vested in employee(s) may lapse

Vested options may lapse due to non-exercise of options within exercise period or where termination of employment is for cause, then all options vested (but not exercised) or unvested, shall stand cancelled.

Cause shall mean, as determined by the Nomination & Remuneration Committee, which shall include but will not be limited to the points as defined in the Plan document. All decisions made by the Nomination & Remuneration Committee in determining the cause and subsequent actions shall be final and binding on the employee(s).

14. Specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee

On voluntary resignation on the part of the Employee or termination of employment without a cause, all vested options have to be exercised within the notice period i.e., 1-2 months from the date of submitting their resignation, post which they will be considered forfeited. However, all unvested options will lapse on the date of resignation by the employee.

15. Whether the Plan is to be implemented and administered directly by the company or through a trust

The Plan will be implemented by the Company directly.

16. Whether the Plan involves new issue of shares by the company or secondary acquisition by the trust or both

The Plan will involve issue of new shares by the Company and will not involve any secondary acquisition.

17. The amount of loan to be provided for implementation of the Plan by the company to the trust, its tenure, utilization, repayment terms, etc.

Not Applicable.

18. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the Plan.

Not Applicable.

19. A statement to the effect that the company shall conform to the accounting policies specified in regulation 15.

The Company shall follow the Guidance as mentioned under the 'Indian Accounting Standard (Ind AS) 102 Share-based Payment' or the relevant accounting standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

In terms of Section 62 of the Companies Act, 2013 and Regulation 6 of ("SEBI (SBEB) Regulations") the approval of the Members is sought by way of Special Resolution for Somany Ceramics Employee Stock Option Plan 2021.

Further, pursuant to the provisions of the SEBI (SBEB) Regulations, a separate resolution is required to be passed if grant of options is extended to the Employees of the Subsidiaries and/or Associates. Accordingly, a separate resolution under item no. 2 is proposed, to extend the benefits of the Plan to the Employees of Subsidiary(ies) and Associate Company(ies) as may be decided by the Board from time to time under applicable laws.

The relevant documents are available for inspection at the website and Registered Office of the Company, up to the last date of the remote e-voting, i.e. Thursday, April 07, 2022.

The Board recommends the resolutions set out at item nos. 1 and 2 of this Notice to the Members for their consideration and approval by way of passing Special Resolution.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel are in any way concerned or interested in the resolutions except to the extent of equity shares held by them in the Company or the Stock Options to be granted under the Plan to them by the Company.

By Order of the Board
For Somany Ceramics Limited

Sd/-
(Ambrish Julka)

General Manager (Legal) & Company Secretary
M. No.: F4484

Place: Noida
Date: 10.12.2021