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SOMANY

21st February, 2017

The General Manager,
Corporate Relationship Dept.,
BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

The Secretary,
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051

Dear Sir/Madam,

Subject: Submission of Postal Ballot Notice dated 24th January, 2017, dispatched to the Shareholders of the Company under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations)

Pursuant to the Regulation 30 of the Listing Regulations, please find enclosed, the Postal Ballot Notice dated 24th January, 2017 along with Postal Ballot forms, sent to Shareholders registered with Company as on the Cut-off date for dispatch, i.e. 10th February, 2017, through Registered Post and e-mail on 20th February, 2017.

Kindly treat this as a disclosure under Regulation 30(6) of Listing Regulations, read with Para A of Part A of Schedule III of the said Listing Regulations.

This is for your information and record.

Thanking You,

Yours faithfully,
For Somany Ceramics Limited


Ambrish Julka,
DGM (Legal) & Company Secretary
M. No.: 4484

Encl: as above

SOMANY CERAMICS LIMITED

Works : Kassar-124 507, Distt. Jhajjar, Bahadurgarh, Haryana, India. Tel : +91-1276-223300, 241001 to 05, Fax : +91-1276-241006 / 241011.
Corporate Office : F-36, Sector-6, Noida - 201 301, Telefax. : +91-120-4627900 to 4627999, 4628000 to 4628099.

Registered Office : 82/19, Bhakerwara Road, Mundka, New Delhi-110 041, India. Tel : +91-11-28341085.

Corporate Identity Number (CIN) : L40200DL1968PLC005169

SOMANY CERAMICS LIMITED

CIN : L40200DL1968PLC005169

Registered Office : 82/19, Bhakerwara Road, Mundka, New Delhi - 110 041 • Phone : 011-2834 1085

Share Dept. : 2, Red Cross Place, Kolkata - 700 001 • Phone : 033-2248 7406 / 07

E-mail : sclinvestors@somanytiles.co.in • Website : www.somanyceramics.com

NOTICE OF POSTAL BALLOT

Dear Shareholder(s),

Notice is hereby given pursuant to provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (Act) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Secretarial Standard – 2 (SS-2), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other laws and regulations as may be applicable from time to time, to pass the resolutions as appended below by the Members of Somany Ceramics Limited through Postal Ballot which includes electronic voting (remote e-voting).

Members consent is sought for the Ordinary/Special Resolutions as appended below. The Statement pertaining to the below mentioned Resolutions under Section 102(1) of the Act setting out the material facts concerning each item and the reason thereof is annexed herewith and is being sent to you along with a Postal Ballot Form for your consideration.

1. **Increase in the borrowing powers of the Company;**
2. **Creation of Charge on the movable and immovable properties of the Company, both present and future, in respect of borrowings;**
3. **Authorization to the Board of Directors to make loan(s) and give guarantee(s), provide security(ies) or make investment(s) in excess of the prescribed limit under Section 186 of the Companies Act, 2013;**
4. **Authorization to the Board of Directors to enter into contracts or arrangement with related parties including material related party, pursuant to Section 188 of the Companies Act, 2013, the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and**
5. **To issue Secured or Unsecured Redeemable Non-Convertible Debentures (NCD's) on Private Placement basis.**

The Board of Directors have appointed **Mr. Pravin Kumar Drolia, Practicing Company Secretary, Kolkata** as the Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.

Members are requested to carefully read the instructions printed on the Postal Ballot Form and the Notice and return the Postal Ballot Form duly completed in all respects in the enclosed self-addressed pre-paid postage envelope (if posted in India), so as to reach the Scrutinizer **on or before the close of business hours at 5.00 p.m. on Wednesday, the 22nd March, 2017**, the last date for receipt of the duly completed Postal Ballot Forms. The postage on the enclosed self-addressed pre-paid postage envelope shall be borne and paid by the Company. Postal Ballot Form(s), if sent at the expenses of the member(s), will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given on the Business Reply Envelope. Please note that if any Postal Ballot Form is received after the said date, it will be considered that no reply has been received from the member in terms of aforesaid Rules.

We are pleased to offer remote e-voting facility also as an alternate for our Members which would enable you to cast your votes electronically, instead of sending physical Postal Ballot Form. Remote E-voting is optional. Please carefully read and follow the instructions on remote e-voting printed in this Notice.

The Scrutinizer will submit his report to the Chairman and Managing Director of the Company or in his absence to any other Director/any other person duly authorized by the Chairman, after completion of scrutiny of Postal Ballots (including votes casted through remote e-voting) in a fair and transparent manner and **the result of the Postal Ballot / Remote E-voting will be announced on Thursday, the 23rd March, 2017 at 4.00 p.m.** at 2, Red Cross Place, Kolkata - 700 001. **The Resolutions, if passed with requisite majority, shall be deemed to have been passed on the last date for receipt of duly completed Postal Ballot Forms or remote e-voting i.e., Wednesday, the 22nd March, 2017.** The results declared along with the Scrutinizer's Report shall be displayed at the aforesaid address and on the Notice Board of the Registered office and the Corporate office of the Company, on its website, www.somanyceramics.com and on the website of CDSL, www.cdslindia.com for information of the Members, besides being communicated to National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE), where the shares of the Company continued to be presently listed. The result of the Postal Ballot shall also be announced through newspaper advertisement.

Proposed Resolutions :

Special Business

1. Increase in the borrowing powers of the Company.

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

“RESOLVED THAT in supersession of the earlier resolution passed by the members and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, 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 any committee thereof) for borrowing, from time to time, any sum or sums of monies from any Bank and/or other Financial Institution and/or foreign lender and/or any body corporate/ entity(ies) and/or authority(ies) and/ or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings

from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time and deemed appropriate by the Board, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time exceed Rs.1000 Crore (Rupees One Thousand Crore Only)."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

2. Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings.

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

"RESOLVED THAT in supersession of the earlier resolution passed by the members and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, read with relevant Rules thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company, 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 any committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks/financial institutions, other investing agencies and trustees for the holders of debentures/ bonds/other instruments to secure rupee/foreign currency convertible bonds and/or bonds with share warrants attached and/or Working Capital facilities from Bank/Financial Institutions (hereinafter collectively referred to as "Loans"), provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time in aggregate exceed Rs.1000 Crore (Rupees One Thousand Crore Only)."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorized to finalize, settle and execute such documents/deeds/writings/papers/agreements/ as may be required and to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage/ charge as aforesaid."

3. Authorization to the Board of Directors to make loan(s) and give guarantee(s), provide security(ies) or make investment(s) in excess of the prescribed limit under Section 186 of the Companies Act, 2013.

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

"RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Articles of Association of the Company and subject to other applicable statutory approvals, consents, sanctions and permissions, as may be necessary, 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 any committee thereof) to make/give loan(s) to any person or other body corporates or give any guarantee(s)/provide any security(ies) in connection with any loan to any other body corporate or person or to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate as they may in their absolute discretion deem beneficial and in the interest of the Company in excess of 60% of the paid up Share Capital, Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, as prescribed under Section 186 of the Companies Act, 2013 from time to time, in one or more tranches, upto maximum amount of Rs.1000 Crore (Rupees One Thousand Crore Only), if the investments/ acquisitions, loans, guarantee, securities to be provided along with Company's existing loans or guarantee/ security or investments/ acquisitions are in excess of the limits prescribed under Section 186 aforesaid or the maximum limits so prescribed under Section 186 (as may be amended from time to time), whichever is higher."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

4. Authorization to the Board of Directors to enter into contracts or arrangement with related parties including material related party, pursuant to Section 188 of the Companies Act, 2013, the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013, if any, read with relevant rules under the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations, 2015), as amended from time to time and the Company's Policy on Related Party Transactions, consent of the members be and is hereby accorded to enter into the following transactions with the respective Related Parties during the financial year 2017-18:

Related Party Transactions in the ordinary course of business with subsidiaries (non-material subsidiaries)

Sl. No.	Name of Related Party	Relationship	Nature of transaction	(Estimated value of transaction per annum) (Rs. in Crore)
1.	Amora Tiles Private Limited	51% Subsidiary	Purchase of Goods	200
2.	Somany Fine Vitrified Private Limited	51% Subsidiary	Purchase of Goods	160
3.	Vintage Tiles Private Limited	50% Associate	Purchase of Goods	200
4.	Commander Vitrified Private Limited	26% Associate	Purchase of Goods	150
5.	Vicon Ceramic Private Limited	26% Associate	Purchase of Goods	100
6.	Acer Granito Private Limited	26% Associate	Purchase of Goods	200
Total				1010

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

5. To issue Secured or Unsecured Redeemable Non-Convertible Debentures (NCD's) on Private Placement basis.

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

“RESOLVED THAT pursuant to the provisions of Sections 42 and 71 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the provisions of Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, the Rules, Regulations, Guidelines and Circulars, as amended from time to time, the Memorandum and Articles of Association of the Company and subject to such other applicable laws, rules, regulations and guidelines and approvals as may be required from regulatory authorities from time to time, the consent of the Members 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 any committee thereof) to offer, issue and allot, in one or more tranches, Secured or Unsecured Redeemable Non-Convertible Debentures on private placement basis for an amount not exceeding Rs. 100 Crore (Rupees One Hundred Crore Only) on such terms and conditions and at such times at par or at such premium, as may be decided by the Board/Committee of Directors to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or such other person/ persons as the Board/Committee of Directors may decide so, however that the aggregate amount of funds to be raised by issue of Non-Convertible Debentures shall not exceed Rs.100 Crore (Rupees One Hundred Crore only).”

“RESOLVED FURTHER THAT in connection with the above, the Board/Committee of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

**By Order of the Board
For Somany Ceramics Limited**

Place: New Delhi
Date: 24th January, 2017

**(Ambrish Julka)
Deputy General Manager (Legal) and Company Secretary**

NOTES :

- The Board of Directors have appointed Mr. Pravin Kumar Drolia, Practicing Company Secretary, as the Scrutinizer to conduct the postal ballot/remote e-voting process in a fair and transparent manner.
- The Statement as required under Section 102 of the Companies Act, 2013 is appended to this Notice. A Postal Ballot Form is also enclosed.
- The Notice is being sent to all the Members by post (and electronically by e-mail to those Members who have registered their e-mail IDs with the Company), whose names appear in the Register of Members/Record of Depositories as on 10th February, 2017. The voting shall be reckoned in proportion to the shares held by a Member in the paid up equity share capital of the Company as on 10th February, 2017.
- The Notice is being published in Financial Express, Delhi (English Edition) and Jansatta, Delhi (Hindi Edition).
- The Notice has also been made available on the website of the Company i.e. www.somanyceramics.com
- In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company has also extended e-voting facility as an alternate, for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form(s).
- The Members can opt for only one mode of voting, i.e., either by Physical Ballot or remote e-voting. In case Members cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast through physical Postal Ballot Forms will be treated as invalid.

Instructions for Voting:

Voting through Physical Postal Ballot Form

1. A member desiring to exercise vote by Postal ballot shall complete the enclosed Postal Ballot Form with assent (for) or dissent (against) and send it to the Scrutinizer in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by courier or by Registered Post at the expense of the Registered Member will also be accepted. The envelopes may also be deposited personally at the address given thereon. The Postal Ballot Form, duly completed and signed should be returned in the enclosed self-addressed postage prepaid envelope directly to the Scrutinizer so as to reach the Scrutinizer before the close of working hours on or before Wednesday, the 22nd March, 2017 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member(s).
2. The members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted.
3. Shareholders who do not receive the Postal Ballot Form may write to the Company's Registrar - Maheshwari Datamatics Pvt. Ltd. at 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001 or to the e-mail id: mdpldc@yahoo.com and obtain a duplicate thereof.

Voting through electronic means

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management and Administration) Rules, 2015, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote e-voting facility to the members, to enable them to cast their votes on the resolutions proposed to be passed, electronically.
2. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the Authorised Agency to provide remote e-voting facilities.
3. Members are requested to carefully read the instructions for remote e-voting before casting their vote.
4. The remote e-voting facility will be available during the following voting period after which the portal will be blocked and shall not be available for remote e-voting :

Commencement of remote e-voting	9.00 a.m., Tuesday, the 21st February, 2017
End of remote e-voting	5.00 p.m., Wednesday, the 22nd March, 2017

5. The instructions for members for remote e-voting are as under:
 - a) Shareholders should log on to the e-voting website www.evotingindia.com
 - b) Click on "Shareholders" tab.
 - c) Now, select the "Somany Ceramics Limited" from the drop down menu and click on "SUBMIT".
 - d) Now Enter your User ID.
 - (i) For CDSL : 16 digits beneficiary ID,
 - (ii) For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - (iii) For Physical Form : Member should enter Folio Number registered with the Company.
 - (e) Next enter the Image Verification as displayed and Click on Login.
 - (f) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (g) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form 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) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field. The sequence number is printed on the Postal Ballot Form address to the shareholder individually, containing particulars of remote e-voting sent alongwith Notice of Postal Ballot. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field.

- (h) After entering these details appropriately, click on "SUBMIT" tab.
- (i) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.
- (j) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (k) Click on the EVSN for the relevant "Somany Ceramics Limited" on which you choose to vote.

- (l) 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.
- (m) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (n) 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.
- (o) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (p) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (q) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (r) Note for Institutional Shareholders
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - 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 they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts 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.
- (s) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (t) The voting rights of shareholders shall be in proportion to their share in the paid up equity share capital of the Company.

ANNEXURE TO THE NOTICE
(Statement under Section 102 of the Companies Act, 2013)

ITEM NO. 1

Increase in the borrowing powers of the Company.

As per Section 180(1)(c) of the Companies Act, 2013, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company beyond the aggregate of the paid up share capital of the Company and its free reserve requires approval from the shareholders of the Company.

The Shareholders of the Company had earlier authorized the Board of Directors to borrow monies (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) from time to time on behalf of the Company not exceeding Rs.500 crore, for the business of the Company. However, keeping in view Company's consistent requirements of financing the capital expenditure on expansion and modernization programmes and partly to augment the long term capital requirements for Company's growing activities and operations, the Board of Directors of the Company at its meeting held on 24th January, 2017, proposed to raise the existing borrowing limit from Rs.500 Crore to Rs.1000 Crore, which is subject to the approval of the Shareholders of the Company.

Accordingly, the Board of Directors recommends the Resolution at item no.1 of the accompanying Notice for your approval as a Special Resolution by way of Postal Ballot.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financial or otherwise, in this resolution except to the extent of their shareholding in the Company, if any.

ITEM NO. 2

Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings.

The Shareholders of the Company had earlier authorized the Board of Directors to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

Under the provisions of Section 180(1)(a) of the Companies Act, 2013 the above powers can be exercised by the Board only with the consent of the shareholders obtained by way of a Special Resolution. Accordingly, the Board of Directors at its meeting held on 24th January, 2017, proposed to obtain fresh approval of the shareholders by way of a Special Resolution under Section 180(1)(a) of the Companies Act, 2013, to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business) for an amount not exceeding Rs.1000 crore. Therefore, the proposed borrowings of the Company may, if necessary, be secured by way of charge/ mortgage/ hypothecation on the Company's assets in favour of the lenders/ holders of securities / trustees for the holders of the said securities as mentioned in the Resolution at item no. 2.

Accordingly, the Board of Directors recommends the Resolution at item no. 2 of the accompanying Notice for your approval as a Special Resolution by way of Postal Ballot.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financial or otherwise, in this resolution except to the extent of their shareholding in the Company, if any.

ITEM NO. 3**Authorization to the Board of Directors to make loan(s) and give guarantee(s), provide security(ies) or make investment(s) in excess of the prescribed limit under Section 186 of the Companies Act, 2013.**

The Company had been making investments in, giving loans and guarantees to and providing securities in connection with loans to various persons (including its employees) and bodies corporate (including wholly owned and other subsidiaries) from time to time in compliance with the applicable provisions of the Companies Act, 1956 (the "Old Act"). Section 186 of the Companies Act, 2013 (the "Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 (the "Rules") (as amended) has been brought into force with effect from 1st April, 2014 and consequently, the corresponding Section 372A of the Old Act in relation to inter corporate loans and investments has been repealed.

As per Section 186 of the Companies Act, 2013, a Company that proposes to give loan(s), and/or guarantee(s) or provide any security(ies) in connection with loan(s) made and / or acquire by way of subscription, purchase or otherwise, the securities of any other body corporate in excess of 60% of the paid up Share Capital and Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, is required to obtain the approval of the shareholders.

As per Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014 and SS-2 issued by ICSI as per Section 118(10) of the Companies Act, 2013, a Company giving loans or extending guarantee or providing security in excess of the limits as specified under sub-section (3) of Section 186 has to obtain approval of shareholders by passing resolution by way of Postal Ballot. Therefore, the Board of Directors at its meeting held on 24th January, 2017, proposed to pass a resolution by means of Postal Ballot to make loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made and/or acquire by way of subscription, purchase or otherwise, the securities of any other body corporate as they may in their absolute discretion deem beneficial and in the interest of the Company in excess of 60% of the paid up Share Capital, Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, as prescribed under Section 186 of the Companies Act, 2013 from time to time, in one or more tranches, upto maximum amount of Rs. 1000 Crore (Rupees One Thousand Crore Only), if the investments/ acquisitions, loans, guarantee, securities to be provided along with Company's existing loans or guarantee/ security are in excess of the limits prescribed under Section 186 aforesaid or the maximum limits so prescribed under Section 186 (as may be amended from time to time), whichever is higher.

The Board of Directors recommends the Resolution at item no. 3 of the accompanying Notice for your approval as a Special Resolution by way of Postal Ballot.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financial or otherwise, in this resolution except to the extent of their shareholding in the Company, if any.

ITEM NO. 4**Authorization to the Board of Directors to enter into contracts or arrangement with related parties including material related party, pursuant to Section 188 of the Companies Act, 2013, the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

The Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations, 2015) aims to ensure transparency in the transactions entered by the Company with its related parties from time to time. The provisions of Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Listing Regulations, 2015 governs the related party transactions including material related party transactions and requires such transactions to have prior approval of the Audit Committee and Board of Directors of the Company. Further, shareholders approval by way of an Ordinary Resolution is required, in cases where such related parties transactions exceeds the amount as may be prescribed under the relevant provisions of the applicable laws, from time to time.

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with rules made thereunder and Regulation 23 of the Listing Regulations, 2015, the Audit Committee and Board of Directors of your Company at their respective meetings held on 24th January, 2017, approved the proposed related party transactions that your Company may enter into with the following related parties (non-material subsidiaries) during the financial year 2017-18, after obtaining shareholders consent by way of an Ordinary Resolution through Postal Ballot Notice dated 24th January, 2017.

Sl. No.	Name of Related Party	Relationship	Nature of transaction	(Estimated value of transaction per annum) (Rs. in Crore)
1.	Amora Tiles Private Limited	51% Subsidiary	Purchase of Goods	200
2.	Somany Fine Vitrified Private Limited	51% Subsidiary	Purchase of Goods	160
3.	Vintage Tiles Private Limited	50% Associate	Purchase of Goods	200
4.	Commander Vitrified Private Limited	26% Associate	Purchase of Goods	150
5.	Vicon Ceramic Private Limited	26% Associate	Purchase of Goods	100
6.	Acer Granito Private Limited	26% Associate	Purchase of Goods	200
Total				1010

All the proposed transactions with the above mentioned related parties (non-material subsidiaries), put up for shareholders approval, are in the ordinary course of business and at arm's length. These transactions are of continuous in nature and are not for a specific period.

The other related information as envisaged under the Companies Act, 2013, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto and the Company's Related Party Transaction Policy are furnished hereunder:

Names of the Related Parties	As given in the table above
Name of the Director or Key Managerial Personnel (KMP) who is related, if any	The employees of the Company are nominated on the Board of the subsidiary(ies) and associate companies. None of the Directors or KMP of the Company are interested in subsidiary and associate companies.
Nature of Relationship	As given in the table

All the entities falling under the definition of related party as prescribed under the applicable laws, shall abstain from voting, irrespective of whether the entity is party to the particular transaction or not.

The Board of Directors recommends the Resolution at item no. 4 of the accompanying Notice for your approval as an Ordinary Resolution by way of Postal Ballot.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financial or otherwise, in this resolution except to the extent of their shareholding in the Company, if any.

ITEM NO. 5

To issue Secured or Unsecured Redeemable Non-Convertible Debentures (NCD's) on Private Placement basis.

In order to fund the Company's upcoming expansions, modernizations, working capital requirements as well as for general corporate purposes, the Board of Directors of the Company at its meeting held on 24th January, 2017 has, subject to the approval of Members, proposed to issue Secured or Unsecured Redeemable Non-convertible Debentures, in one or more tranches, to various person(s) on private placement basis, at such terms and conditions and at such price(s) in compliance with the requirements of regulatory authorities, if any and as may be finalized by the Board and/or Committee of Directors. The amount to be raised by way of issue of Secured or Unsecured Redeemable Non-Convertible Debentures on a private placement basis however shall not exceed Rs. 100 Crore (Rupees One Hundred Crore only) in aggregate.

It may be noted that Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 42 of the Companies Act, 2013, allows a company to pass a previous special resolution once in a year for all the offer or invitation for Secured or Unsecured Redeemable Non-Convertible Debentures to be made through a private placement basis in one or more tranches.

The consent of the Members is therefore sought in connection with the aforesaid issue of debentures from time to time to authorize the Board (including any Committee of the Board) to issue Secured or Unsecured Redeemable Non-Convertible Debentures on private placement basis upto Rs. 100 Crore (Rupees One Hundred Crore only) as stipulated above, in one or more tranches.

The Board of Directors recommends the Resolution at item no. 5 of the accompanying Notice for your approval as a Special Resolution by way of Postal Ballot.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financial or otherwise, in this resolution except to the extent of their shareholding in the Company, if any.

**By Order of the Board
For Somany Ceramics Limited**

(Ambrish Julka)

Deputy General Manager (Legal) and Company Secretary

Place: New Delhi
Date: 24th January, 2017

SOMANY CERAMICS LIMITED

CIN : L40200DL1968PLC005169

Registered Office : 82/19, Bhakerwara Road, Mundka, New Delhi - 110 041 • Phone : 011-2834 1085

Share Dept. : 2, Red Cross Place, Kolkata - 700 001 • Phone : 033-2248 7406 / 07

E-mail : sclinvestors@somanytiles.co.in • Website : www.somanyceramics.com

POSTAL BALLOT FORM

1.	Name(s) & Registered Address of the sole/first named member
2.	Name(s) of the Joint-Holder(s), if any
3.	Registered Folio Number/ DP ID & Client ID No.
4.	Number of Equity Share(s) held

I/We hereby exercise my/our vote in respect of the following Resolutions to be passed through Postal Ballot / remote e-voting, for the special business stated in the Postal Ballot Notice dated 24th January, 2017 of the Company by conveying my /our assent or dissent to the said Resolutions by placing tick (✓) mark in the appropriate boxes below :

Resolution Number	Description of Resolution	No. of shares	I/We assent to the Resolutions (FOR)	I/We Dissent to the Resolutions (AGAINST)
1	Increase in the borrowing powers of the Company.			
2	Creation of Charge on the movable and immovable properties of the Company, both present and future, in respect of borrowings.			
3	Authorization to the Board of Directors to make loan(s) and give guarantee(s), provide security(ies) or make investment(s) in excess of the prescribed limit under Section 186 of the Companies Act, 2013.			
4	Authorization to the Board of Directors to enter into contracts or arrangement with related parties including material related party, pursuant to Section 188 of the Companies Act, 2013, the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.			
5	To issue Secured or Unsecured Redeemable Non-Convertible Debentures (NCD's) on Private Placement basis.			

Place :

Date :

Signature of the Member or the Authorised Representative (as per instructions overleaf)

ELECTRONIC VOTING PARTICULARS

E-Voting Sequence No. (EVSN)	USER ID (16 Digit Demat Account / Folio No.)	(Permanent Account Number (PAN)/ As per point no. 3 (g) of e-voting procedure of instructions)

Note :

- Please read the instructions printed overleaf carefully before exercising your vote.
- Last date for receipt of Postal Ballot Forms by Scrutinizer is Wednesday, 22nd March, 2017 by 5.00 P.M.

INSTRUCTIONS

1. GENERAL INFORMATION

- There will be one Postal Ballot Form / remote e-voting for every Client ID No. / Folio No., irrespective of the number of joint holders.
- Members can opt for only one mode of voting i.e. either by Postal Ballot or through remote e-voting. In case you are opting for voting by Postal Ballot, then please do not cast your vote by remote e-voting and vice versa. In case Members cast their votes both by means of Postal Ballot and remote e-voting, the votes cast by remote e-voting shall prevail and votes cast through Postal Ballot form shall be considered invalid.
- Voting rights in the Postal Ballot / remote e-voting cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorised representatives accompanied by a certified copy of the relevant board resolution with the specimen signature(s) of the authorized signatory(ies) duly attested.
- The remote e-voting period commences on 21st February, 2017 (9.00 a.m. IST) and ends on 22nd March, 2017 (5.00 p.m. IST). During this period, members of the Company, holding shares in physical form or in dematerialised form, as on the cut-off date, i.e., 10th February, 2017, may cast their vote electronically.
- The Board of Directors has appointed Mr. Pravin Kumar Drolia, Practicing Company Secretary, Kolkata as the Scrutinizer for scrutinizing the voting process (voting through Postal Ballot as well as remote e-voting) in a fair and transparent manner.

2. PROCESS FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT

- Members desiring to cast their vote by Postal Ballot should complete and sign this Postal Ballot Form and send it to the Scrutinizer in the enclosed postage prepaid self-addressed envelope. Postal Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted.
- In case of joint holding, this Postal Ballot Form should be completed and signed by the first named Member and in his absence by the next named Member.
- The signature of the Member on this Postal Ballot Form should be as per the specimen signature furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) or registered with the Company, in respect of shares held in dematerialised form or in physical form, respectively.
- Completed Postal Ballot Forms should reach the Scrutinizer at 2, Red Cross Place, Kolkata – 700 001 not later than the close of working hours i.e. at 5.00 p.m. on 22nd March, 2017. Postal Ballot Forms received after this date will be considered invalid.
- Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.
- A Member seeking duplicate Postal Ballot Form or having any grievance pertaining to the Postal Ballot process can write to the Company's Registrar-Maheshwari Datamatics Pvt. Ltd. at 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700 001 or to the e-mail id: mdpldc@yahoo.com. Duly completed and signed duplicate Postal Ballot Forms should, however, reach the Scrutinizer not later than the close of working hours i.e. 5.00 p.m. on 22nd March, 2017.
- Members are requested not to send any paper (other than the resolution/authority as mentioned under "General Information" of point 1.c above) along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelopes as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.

3. PROCESS FOR MEMBERS OPTING FOR REMOTE E-VOTING

- Shareholders should log on to the e-voting website www.evotingindia.com
- Click on "Shareholders" tab.
- Now, select the "Somany Ceramics Limited" from the drop down menu and click on "SUBMIT".
- Now Enter your User ID.
 - For CDSL : 16 digits beneficiary ID,
 - For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - For Physical Form : Members should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below:

For Members holding shares in Demat Form 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) - Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field. The sequence number is provided on the Postal Ballot Form. - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field.

- After entering these details appropriately, click on "SUBMIT" tab.
- Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.
- For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant "Somany Ceramics Limited" on which you choose to vote.
- 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.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 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.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Note for Institutional Shareholders
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - 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 they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts 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.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- The voting rights of shareholders shall be in proportion to their share in the paid up equity share capital of the Company.