

SMEL/SECT/062023-24

Date: 09th May, 2023

To,
The Secretary,
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai- 400 051

Scrip Code: SILLYMONKS

Dear Sir/Madam,

Sub: Notice of Postal Ballot and E-voting.**Ref: Intimation pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

In continuation of our letter no. SMEL/SECT/02/2023-24 and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Postal Ballot Notice along with the Explanatory Statement thereto ('Notice'), dated Thursday, 04th May, 2023, whereby the Company is seeking approval of the Members in respect of Special Business (by way of Special Resolutions) as detailed herein below:

| Sl. No. | Agenda | Type of Resolution |
|---------|---|--------------------|
| 1. | To approve the Alteration of Articles of the Company. | Special Resolution |
| 2. | To approve the Silly Monks Employee Stock Option Scheme 2023. | Special Resolution |

In compliance with Circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, voting on the resolutions is being proposed by electronic means i.e. through remote e-voting and Notice has been sent only in electronic mode to all those Members whose names appear in the Register of Members and whose e-mail addresses are registered with Nigshare Services Private Limited, Registrar and Share Transfer Agent of the Company or with the Depository Participant(s) as on the cut-off date of Friday, 05th May, 2023. The procedure and detailed instructions for remote e-voting on the Postal Ballot are set out in the Notice.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing remote e-voting facility to its Members.

The said Notice is also hosted on the Company's website www.sillymonks.com and website of the remote e-voting service provider i.e. CDSL at <https://www.evotingindia.com>

The calendar of key events for the Postal Ballot activity is as under:

| Sl. No. | Event | Date |
|---------|---|---------------------------------------|
| 1. | Cut-off date for determination of shareholders eligible to vote | Friday, 05 th May, 2023 |
| 2. | Start of Voting period | Monday, 15 th May, 2023 |
| 3. | End of Voting period | Tuesday, 13 th June, 2023 |
| 4. | Submission of scrutinizer's Report | Thursday, 15 th June, 2023 |
| 5. | Announcement of Postal Ballot results | Thursday, 15 th June, 2023 |





This intimation is being filed pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and a copy of the Postal Ballot Notice is enclosed herewith.

This is for your information and dissemination.

Thank You.

For **SILLY MONKS ENTERTAINMENT LIMITED**

Naina Singh
Company Secretary & Compliance Officer
ICSI M. No: A68201

Encl: As above.





SILLY MONKS ENTERTAINMENT LIMITED

CIN: L92120TG2013PLC090132

Registered Office: Survey No.91,3rd Floor, Technical Block, Sundarayya Vignana Kendram,
Gachibowli, Hyderabad-500032, Telangana, India.

Tele No.: +91-8008121236, **Web:** www.sillymonks.com .

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, each as amended, and applicable Circulars issued by the Ministry of Corporate Affairs, Government of India, from time to time.]

| VOTING STARTS ON | VOTING ENDS ON |
|---|--|
| Monday, 15 th May, 2023 at 9.00 a.m. (IST) | Tuesday, 13 th June, 2023 at 5.00 p.m.(IST) |

Dear Member(s),

NOTICE is hereby given to the members of Silly Monks Entertainment Limited (“the Company”) pursuant to Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013, (‘Act’) (including any statutory modification or re-enactment thereof for the time being in force), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, (‘Rules’), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India (‘SS-2’), each as amended, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs (‘MCA’) for holding general meetings/conducting postal ballot process through e-voting vide General Circular Nos.14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, Circular No. 20/2021 dated December 8, 2021 and Circular No. 3/2022 dated May 5, 2022, General Circular No 10/2022 dated 28.12.2022 & General Circular No 11/2022 dated 28.12.2022 in view of the COVID-19 pandemic (collectively the ‘MCA Circulars’), that the Resolutions as set out in this Notice are proposed for consideration by the Members of the Company for passing by means of Postal Ballot and Electronic voting.

On account of the ongoing COVID-19 pandemic and in terms of the requirements specified in the MCA Circulars, the Company is sending this Notice only in electronic form, to those Members whose e-mail addresses are registered with the Company/Depositories. Accordingly, a physical copy of the Notice along with the Postal Ballot Form and pre-paid business reply envelope is not being sent to the Members for this Postal Ballot. The communication of the assent or dissent of the Members would take place only through the remote e-voting system.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing remote e-voting facility to its Members. The remote e-voting period commences from 9.00 a.m. (IST) on Monday, 15th May, 2023 and ends at 5.00 p.m. (IST) on Tuesday, 13th June, 2023. The instructions for remote e-voting are appended to this Notice. The Notice is also available on the website of the Company www.sillymonks.com.

The explanatory statement setting out material facts pursuant to Section 102, 110 and other applicable provisions of the Companies Act and Securities and Exchange Board of India (Issue of Capital and Disclosures Requirement) Regulations, 2018, as amended from time to time (“SEBI (ICDR) Regulations”) is annexed herewith.

Pursuant to Rule 22(5) of the Rules, the Board of Directors of your Company at its meeting held on Thursday, 04th May, 2023, has appointed Mr. Jineshwar Kumar Sankhala (Membership No. ACS. 21697) of M/s. P.S. Rao

& Associates, Practising Company Secretaries, as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner.

The Scrutinizer will submit the report to the Chairman of the Company, or any person authorized by him upon completion of the scrutiny of the votes cast through remote e-voting and the results of the Postal Ballot will be announced at or before 5.00 p.m. (IST) on Thursday, the 15th June, 2023. The Resolution will be taken as passed, if the results of e-voting indicate that the requisite majority of the Members have assented to the Resolution. The Scrutinizer's decision on the validity of e-voting shall be final. The results will be published on the website of the Company i.e. www.sillymonks.com and will be communicated to the National Stock Exchange www.nseindia.com, where the Company's shares are listed. The results will also be posted on the Website of CDSL www.evotingindia.com.

SPECIAL BUSINESS:

Item No. 1: To approve the Alteration of Articles of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof for the time being in force), and subject to the necessary approval(s), permissions, consents and sanctions required, if any by the statutory authority and all other applicable laws and regulations if any, approval of the members of the Company be and is hereby accorded to the Board to alter the provisions of the Articles of Association of the Company by inserting the following clause under the Share capital and variation of rights:

4. (iii) Subject to the provisions of Section 53, 54, 62 of the act and the Applicable Law, the Company may issue Sweat Equity shares and stock options to employees including its Directors other than Independent Directors (as provided under the Act) and such other persons as the Rules may allow, under ‘Employee Stock Option Scheme (ESOP)’ or any other scheme, if authorized by a Special Resolution of the Company in General Meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

RESOLVED FURTHER THAT any Executive Director and the Company Secretary be and is hereby severally authorised to perform all acts, deeds and things, execute documents, and do all filings including e-filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution.”

Item No. 2: To approve the Silly Monks Employee Stock Option Scheme 2023.

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Share Capital and Debentures) Rules, 2014 including any statutory modification(s) or re-enactment of the Act, for the time being in force and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 including any modifications thereof or supplements thereto ("the Regulations") and in accordance with the provisions of the Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee), consent of the members of the Company be and is hereby accorded to the Board to introduce and implement the "Silly Monks Employee Stock Option Scheme - 2023" (hereinafter referred to

as "SMEL ESOS 2023") the salient features of which are detailed in the Explanatory Statement to this Notice and to create, offer, issue and allot at any time to or for the benefit of employees who are in the permanent employment of the Company whether working in India or out of India and to such other persons as may from time to time be allowed to be eligible for the benefit under the provisions of applicable laws and regulations prevailing from time to time (all such persons are hereinafter collectively referred to as "Employees") under the SMEL ESOS 2023, such number of equity shares of the Company and/ or equity linked instruments [including Options/Warrants ("Options")] or any other instruments or securities of the Company which could give rise to the issue of equity shares (hereinafter collectively referred to as "Securities") but not exceeding 5,00,000 (Five Lakhs Only) Equity Shares of Rs.10 each (or such other adjusted figure for any bonus, stock splits or consolidations or other re-organization of the capital structure of the Company as may be applicable from time to time), in one or more tranches, at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the Scheme, the provisions of the law or regulations issued by the relevant authority, as may be prevailing at that time.

FURTHER RESOLVED THAT the Securities may be issued and allotted by the Board directly to such Employee(s).

FURTHER RESOLVED THAT the scheme may also envisage provisions for providing financial assistance to the eligible employees to enable them to acquire, purchase or subscribe to the said securities of the Company in accordance of the provisions of the Act and the Regulations.

FURTHER RESOLVED THAT the new equity shares to be issued and allotted in the manner aforesaid shall rank pari passu in all respects with the then existing equity shares of the Company.

FURTHER RESOLVED THAT for the purpose of creating, offering, issuing, allotting, and listing of the Securities and/or for the purpose of complying with any Guidelines or Regulations that may be issued from time to time by any appropriate authority, the Board be and is hereby authorized on behalf of the Company to make any modifications, changes, variations, alterations or revisions in SMEL ESOS 2023 from time to time or to suspend, withdraw or revive SMEL ESOS 2023 from time to time, provided such variations, modifications, alterations or revisions are not detrimental to the interests of the Employees.

FURTHER RESOLVED THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to determine terms and conditions of issue of the Securities and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the Shareholders of the Company.

FURTHER RESOLVED THAT the Board be and is hereby authorized to extend the benefits of SMEL ESOS 2023 to the Employees, whether working in India or out of India of the subsidiary of the Company unless they are prohibited from participating in the SMEL ESOS 2023 under any law or regulations for the time being in force, on such terms and conditions as may be decided by the Board.

FURTHER RESOLVED THAT the Board be and is hereby authorized to delegate all or any powers conferred herein to Nomination and Remuneration Committee, with power to sub-delegate to any Executives/Officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, filings etc., as may be necessary in this regard."

By order of the Board of Directors,
For **Silly Monks Entertainment Limited**

Naina Singh
Company Secretary & Compliance Officer
ICSI M. No: A68201

Place: Hyderabad
Date: 04th May, 2023

Notes:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 and Rule 22 of the Companies (Management and Administration) Rules, 2014, (Hereinafter referred to as the "**Rules**") setting out all material facts in respect of the business specified in this notice and the reasons there to is annexed hereto.
2. In terms of the General Circular Nos.14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, Circular No. 20/2021 dated December 8, 2021, Circular No. 3/2022 dated May 5, 2022, General Circular No 10/2022 dated 28.12.2022 & General Circular No 11/2022 dated 28.12.2022 MCA (the "MCA Circulars"), conveyed the decision of MCA to allow companies to transact items through postal ballot in accordance with framework provided in the aforesaid circulars upto 30th September, 2023.
3. In compliance with the aforesaid MCA circulars the Postal ballot Notice along with the instructions regarding e-voting is being sent only by email to all those members, whose email addresses are registered with the Company or with the depository(ies) / depository participants or with the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited (RTA) and whose names appear in the register of members/list of beneficial owners as on the Cut-off date i.e., Friday, the 05th May, 2023.
4. Members may note that this Notice also will be available on the Company's website, www.sillymonks.com. The Notice can be accessed from the web site of the Stock Exchange i.e. NSE Limited at www.nseindia.com the Postal ballot Notice is also disseminated on the website of CDSL (agency for providing the Remote E- Voting facility) www.evotingindia.com. All the members of the Company as on the Cut-off date shall be entitled to vote in accordance with the process specified in this notice. Any person who is not a member on the Cut-off date shall treat this notice for information purpose only. As per the MCA Circulars, physical copy of the Notice, Postal Ballot Form and pre-paid business reply envelope are not being sent to the members for this Postal Ballot.
5. The Company hereby requests all its members to register their email addresses, if not yet registered, to promote green initiative and to enable the Company to provide all communications to the members through email.
6. For receiving copy of postal ballot notice electronically, members who have not yet registered their email addresses are requested to send an email to M/s. Bigshare Services Private Limited at bsshyd@bigshareonline.com or to the Company at its e- mail i.e. investor@sillymonks.com by mentioning the Shareholder Name, Folio No. / DP ID and Client ID.
7. In compliance with the provisions of Sections 108 and 110 of the Act and Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide voting facility by electronic means ("e-voting") to the Members, to enable them to cast their votes electronically. The Company has engaged the services of CDSL to provide e-voting facility to its Members.
8. The remote e-Voting period commences on Monday, 15th May, 2023 at 9.00 a.m. (IST) and ends on Tuesday, 13th June, 2023 at 5.00 p.m. (IST). During this period, members of the Company holding shares as on the cut-off date may cast their vote electronically. The remote e-Voting module shall be disabled thereafter. Once the vote on the resolution is cast by a member, the same will not be allowed to be changed subsequently. The voting rights of the Members shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the Cut-Off Date i.e., Friday, the 05th May, 2023.

9. A Member cannot exercise his vote by proxy on Postal Ballot.
10. The Resolution, if passed by requisite majority, will be deemed to have been duly passed on the last date specified for the remote e-voting i.e Tuesday, 13th June, 2023 in terms of Secretarial Standard – 2 on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India. Resolutions passed by Members with requisite majority, through postal ballot shall be deemed to have been passed at a general meeting of Members convened on that behalf.
11. The dispatch of Postal Ballot Notice shall be announced through an advertisement in “The Financial Express” (English edition) and “Nava Telangana” (Telugu edition), each having wide circulation in the State of Telangana, where the registered office of the Company is situated.
12. The scrutinizer will submit his report to the Chairman/ any of the Director(s) of the Company after the completion of scrutiny, and the result of the voting by postal ballot will be announced by the Chairman or any Director or the Company Secretary of the Company duly authorized, on or before Thursday, 15th June, 2023, at the registered office of the Company and the result along with Scrutinizer report will also be displayed on the website of the Company www.sillymonks.com besides being communicated to the Stock Exchange.
13. Any query/grievances relating to the postal ballot process may be addressed to Ms. Naina Singh (Company Secretary and Compliance Officer).

Contact details are:

| | |
|-----------------|--|
| E-mail | investor@sillymonks.com |
| Tele No. | +91-8008121236 |
| Address | Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad, Telangana-500032 |

VOTING THROUGH ELECTRONIC MEANS:

Instructions relating to E-voting:

- (i) The voting period will commence on **Monday, 15th May, 2023 at 9.00 a.m. (IST) and ends on Tuesday, 13th June, 2023 at 5.00 p.m. (IST)**. During this period members of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date, 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 09.12.2020**, 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. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- 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.
- (iii) 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.

- (iv) 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 abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

| Shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | <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 the 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 the e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the e-voting 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 Depository | <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.nsdl.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 provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp |

| | |
|--|---|
| | <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 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 eVoting 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 or joining virtual meeting & voting during the meeting,</p> |
| <p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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 eVoting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at the 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 |
|--|---|
| <p>Individual Shareholders holding securities in Demat mode with CDSL</p> | <p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33</p> |
| <p>Individual Shareholders holding securities in Demat mode with NSDL</p> | <p>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</p> |

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in Demat mode.

(i) Login method for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.

- 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 Physical shareholders and other than individual shareholders holding shares in Demat. |
|--|--|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <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) | <p>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.</p> <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. |

- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) 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.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (vi) 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.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) 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.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) 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.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- 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 will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, 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 mandatory 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; (designated email address by company) , 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 & joining virtual meetings 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 toll free no. 1800 22 55 33

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 Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 1: TO APPROVE THE ALTERATION OF ARTICLES OF THE COMPANY.

The Board of the Company at its meeting held on Thursday, 04th May, 2023 on the recommendation of the Nomination and remuneration Committee of the Company, subject to the approval of the members of the Company, has approved the "Silly Monks Employee Stock Option Scheme - 2023" (hereinafter referred to as "SMEL ESOS 2023") formulated by the Compensation Committee of the Board of the Company in accordance with the provisions of Securities And Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021, as amended (the "SEBI Regulations"), Companies Act, 2013, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, Securities Contract (Regulation) Act, 1956 and all other applicable regulations and provision of law for the time being in force to achieve sustained growth and to motivate, incentivize the employees of the Company.

To authorize the Board for the implementation of the SMEL ESOS 2023, some alterations are required in the existing Articles of Association of the Company. Therefore, as stated above in the resolution Item No. 01, the provision for approval and implementation of the ESOP scheme, it is required to amend the Share capital and variation of rights clause in the proposed Articles of Association of the Company.

Pursuant to the provisions of section 14 of the Companies Act, 2013, alteration of articles requires approval of the members of the Company by way of a Special Resolution at a general meeting.

The Board of Directors' in their meeting held on Thursday, 04th May, 2023 has approved the amendment in the Article of Association of the Company as set out in item no. 1 of the notice, subject to the approval of members of the Company.

A copy of the proposed amended Articles of Association (AOA) is available for inspection in physical by the members at the registered office of the Company during normal business hours on all working days from the date of dispatch of the notice, up to the last date of voting i.e. Tuesday, 13th June, 2023 at 5.00 p.m. (IST) and is also available on the website of the Company at www.sillymonks.com .

The Board recommends the Special Resolution set out at Item No 1 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions as item No. 1.

ITEM NO. 2: TO APPROVE THE SILLY MONKS EMPLOYEE STOCK OPTION SCHEME 2023.

Employees Stock Option is useful tool to attract retain and motivate the best available talent and to reward them for performance. This also provides an opportunity to employees to participate in the growth of the company, besides creating long term wealth in their hands.

The Employee Stock Option Scheme (SMEL ESOS 2023) proposed to be introduced is aimed at retaining best talent in the Company SMEL ESOS 2023 is drawn in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('SEBI Regulations'), issued by SEBI and other applicable laws.

The Scheme will be operated and administered under the superintendence of the Company's Nomination and Remuneration Committee, which is a Committee of the Board of Directors, the majority of whose Members are Independent Directors.

The Compensation Committee shall in accordance with ESOP 2023 and Applicable Law, in its absolute discretion, inter alia, determine the following:

- i) The quantum of Options to be Granted to each Employee under ESOP 2023, subject to the ceiling as specified in the scheme;
- ii) The Eligibility Criteria;
- iii) The time when the Options are to be Granted;
- iv) The number of tranches in which the Options are to be Granted and the number of Options to be granted in each such tranche.
- v) The number of Options, if any, reserved for Granting to new Employees who would join the services of the Company;
- vi) The vesting and exercise of Options in case of Grantee who has been transferred or whose services have been seconded to any other entity within the Group at the instance of the Company;
- vii) The Vesting Period, the Vesting schedule and the date of Vesting of the Options Granted;
- viii) The terms and conditions (including performance parameters) subject to which the Options Granted would Vest in the Employee;
- ix) The conditions under which Vested Options may lapse in case of termination of employment for fraud or misconduct;
- x) The Exercise Period within which the Employee should exercise the Option and that Option would lapse on failure to Exercise the Option within the Exercise Period;
- xi) The specified time period within which the Employee shall Exercise the Vested Options in the event of termination or resignation of an Employee;
- xii) The right of an Employee to Exercise all the Vested Options at one time or at various points of time within the Exercise Period;
- xiii) The treatment of Unvested Options upon events including but not limited to, termination of employment or upon a director ceasing to hold office;
- xiv) The procedure for making a fair and reasonable adjustment in the case of corporate actions such as merger, sale of division, stock split / consolidation, rights issues, bonus issues, change in capital structure and/or others in accordance with Applicable Law;
- xv) The procedure and terms for the Grant, Vesting and Exercise of Options in the case of Employees who are on long leave;
- xvi) The procedure for cashless Exercise of Options, if required;
- xvii) The procedure for surrender and cancellation of Options, if required;
- xviii) Obtaining permissions from and making periodic reports to regulatory authorities, as may be required and ensuring compliance with all Applicable Law;
- xix) Framing appropriate procedures and rules for Granting, Vesting and Exercise of Options and amending, altering, modifying or rescinding such procedures and rules from time to time;

- xx)Lay down a method for satisfaction of any tax obligation arising in connection with the Options and the Shares in compliance with Applicable Law;
- xxi)Arranging to get the Shares, issued under ESOP 2023, listed on the Recognized Stock Exchange(s) on which the shares of the Company are already listed or may be listed in future;
- xxii)Ensuring submission of information, reports, etc., in connection with ESOP 2023 to the Recognised Stock Exchange(s) at stipulated periodical intervals or otherwise, as the case may be;
- xxiii)Finalize, approve and authorize executives of the Company to execute various agreements, deeds, writings, confirmations, undertakings, indemnities or other documents, as may be necessary, under the Common Seal of the Company, if any, or otherwise, with any party including legal advisors, accountants, share transfer agents, depositories, custodians, bankers and/or others for the purposes of ESOP 2023 and accept modifications, changes and amendments to any such documents/agreements; and
- xxiv)To provide for any statutory, contractual, regulatory or such other matters as may be necessary for the administration and implementation of ESOP 2023 in accordance with Applicable Law.

According to Regulation 6(1) of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 no scheme shall be offered to employees of a company unless the shareholders of the company approve it by passing a special resolution in the general meeting, accordingly, Item Number 1 & 2 to this Notice is proposed as Special Resolution.

The salient features of the SMEL ESOS 2023 and the disclosures required under Rule 12(2) of The Companies (Share Capital and Debentures) Rules, 2014 are as under:

1. The total number of options to be granted

The total number of options that may, in the aggregate, be issued would be such number of options which shall entitle the option holders to acquire in one or more tranches upto 5,00,000 (Five Lakh) equity shares of the Company of the face value of Rs. 10 each (or such other adjusted figure for any bonus, stock splits or consolidations or other re-organization of the capital structure of the Company as may be applicable from time to time). Each such Options confers a right upon the Employee to apply for 1 (one) equity shares of Rs. 10/- each of the Company, in accordance with the terms and conditions of such issue.

2. Identification of classes of employees entitled to participate in the Scheme

All permanent employees of the Company working in India or out of India and its subsidiary / associate company(ies,) (present or future) (excluding promoters and employees belong to Promoter Companies) as may be decided by the Nomination and Remuneration Committee.

The class of Employees eligible for participating in the Scheme shall be determined on the basis of the grade, number of years' service, performance, role assigned to the employee and such other parameters as may be decided by the Nomination and Remuneration Committee in its sole discretion from time to time.

The options granted to an Employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

3. Appraisal Process for determining the eligibility of Employees to the Scheme

The appraisal process for determining the eligibility of the Employee will be specified by the Nomination and Remuneration Committee and will be based on criteria such as the grade of Employee, length of service, performance record, CTC, expected potential contribution by the Employee and/or by any such criteria that may be determined by the Nomination and Remuneration Committee in its sole discretion.

4. Requirements of vesting and period of vesting

Vesting of options may commence after a period of not less than one year from the date of grant. The vesting may occur in one or more tranches, subject to terms and conditions of vesting, as may be stipulated by the Nomination and Remuneration Committee in its sole discretion.

5. Maximum period within which the options shall vested

The maximum vesting period may extend up to five years from date of grant of options, unless otherwise decided by the Nomination and Remuneration Committee.

6. Exercise price or pricing formula

Exercise Price means the price at which the Employee is entitled to acquire the equity shares pursuant to the options granted and vested in him/her under the Scheme.

The Exercise price per option may be decided by the Nomination and Remuneration Committee at the time of Grant. In determining the Exercise Price, the Committee shall take into consideration relevant factors prevalent at the time of the Grant which, among other things, would include the trend in the market price of the Company's Equity Shares quoted on Stock Exchange. The exercise price may also be face value of shares.

7. Exercise period and process of exercise and under certain circumstances in which option may lapse

The exercise period may commence from the date of vesting and will expire not later than 5 years from the date of vesting, or such other period as may be decided by the Nomination and Remuneration Committee from time to time.

The options will lapse if not exercised within the specified exercise period or as may be specified by the Nomination and Remuneration Committee. The options may also lapse under certain circumstances like termination of employee under misconduct, resignation, etc., even before the expiry of the specified exercise period.

8. Time period within which the employee shall exercise the vested option in the event of termination of employment or resignation of employee:

The Nomination and Remuneration Committee shall determine the time period within which the vested unexercised option in the event of termination of employment or resignation of employee shall be exercised.

9. Maximum number of options to be issued per Employee and in aggregate

The maximum number of options to be granted to any eligible employees during one year, shall not Grant in aggregate the Options equal to or exceeding 1% of the issued share capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of the Options to identified Employees, without the approval of the shareholders of the Company by way of a separate resolution.

10. Disclosure and accounting policies

The Company shall conform to the accounting policies specified by Securities and Exchange Board of India as per the SEBI Regulations, amended from time to time.

11. Method of Valuation

The Company follows the intrinsic value method for computing the compensation cost, if any, for the options granted. The difference between the employee compensation cost so calculated and employee compensation cost that would have been recognized if the Company had used fair value method and its impact on the profits and earnings per share would be disclosed in the Directors' Report. The fair value would be determined using the Black - Scholes model.

12. Condition under which Option may lapse

The option will lapse if not exercised within the specified exercise period. The options may also lapse under certain circumstances even before the expiry of the specified exercise period i.e. in the event of termination of employment or resignation of employee.

13. Other terms

The Board, based on the recommendations of the Nomination and Remuneration Committee, shall have the absolute authority to vary, modify or alter the terms of the Scheme in accordance with the Regulations and Guidelines as prescribed by the Securities and Exchange Board of India or Regulations that may be issued by any appropriate authority, from time to time, unless such variations, modifications or alterations is detrimental to the interest of the Employees.

The Securities may be allotted directly to the Employees and Employees may be provided with financial assistance to enable them to subscribe to the Securities.

The Board recommends the Special Resolution set out at Item No 2 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the resolutions, except to the extent of Equity Shares they may be offered to them under SMEL ESOS 2023.

By order of the Board of Directors,
For **Silly Monks Entertainment Limited**

Naina Singh
Company Secretary & Compliance Officer
M. No: A68201

Place: Hyderabad
Date: 04th May, 2023