



# Kandagiri Spinning Mills Ltd.

Ref: KSML/CS/ 092/2018-19

25<sup>th</sup> February, 2019

To

Bombay Stock Exchange Limited,  
Floor 25, P.J.Towers,  
Dalal Street,  
Mumbai - 400 001

Dear Sir,

**Sub: Enclosure of Postal Ballot Notice and Text of Newspaper Advertisement**

**Ref: Regulation 44 and 47(1) & (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

In accordance with the above referred regulations, we herewith enclosed a copy of the Postal Ballot notice dt. 13.02.2019 seeking members' consent through postal ballot (which includes electronic voting) in respect of all the resolutions stated in the Postal Ballot notice.

We also herewith enclosed text of the newspaper publication (with respect to the Postal ballot notice) published in English and regional language newspapers (Trinity Mirror and Makkal Kural) on 24<sup>th</sup> February, 2019.

Kindly take the same for your information and records.

Thanking you,

Yours faithfully,  
For Kandagiri Spinning Mills Limited

J. Asifa

Company Secretary

Encl:

1. Postal Ballot Notice.
2. Text of Newspaper Publication.



CIN : L17111TZ1976PLC000762

Regd. Off: Mill Premises, Udayapatti (P.O), P.B.No.3, Salem - 636 140. Phone : Mill 0427-2244400  
Fax:0427-2244422; Grams: SUPERSPINE; e-mail: sales @kandagirimills.com; Web.: www.kandagirimills.com





## KANDAGIRI SPINNING MILLS LIMITED

Post Box No.3, Udayapatti, Salem 636 140

Ph. 0427-2244400; Fax-0427-2244422, CIN : L17111TZ1976PLC000762

E mail: sales@kandagirimills.com; ksmcs@kandagirimills.com,

Website: [www.kandagirimills.com](http://www.kandagirimills.com)

### NOTICE OF POSTAL BALLOT

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

#### **NOTICE TO THE SHAREHOLDERS**

Notice is hereby given pursuant to section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Management and Administration) Rules, 2014, as amended from time to time and Secretarial Standard (SS-2), for seeking consent of the shareholders by way of postal ballot/electronic voting ("e- voting") in respect of the resolutions stated in this notice.

Board of Directors has appointed Shri B. Kalyanasundaram, Practising Company Secretary (Membership No. 672; COP No: 2209) of M/s B. K. Sundaram & Associates, Company Secretaries, as the Scrutinizer for conducting the postal ballot/ e-voting process in a fair and transparent manner.

Consent of the Members is requested for the proposed resolutions as stated against special business agenda item Nos. 1 to 3 in the notice. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, pertaining to the said Resolutions, setting out material facts and the reasons thereof is annexed hereto along with a Postal Ballot Form ("**Form**") for your consideration.

Members are requested to carefully read the instructions printed in the Form, record their assent or dissent and return the Form, in original duly completed and signed in the enclosed self addressed business reply envelope so as to reach the Scrutinizer on or before **27<sup>th</sup> March, 2019** by 5.00 P.M. Please note that any Postal Ballot Form(s) received after the said date and time will be treated as not received.

In compliance with the provisions of Section 108, 110 and other applicable provisions of the Companies Act, 2013 read with rules thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 Form(s). The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for providing e-voting facility to all its members. Detailed instructions to use the e-voting facility are given in this Notice.

The Scrutinizer will submit his report to the Chairman and/or Managing Director of the Company after completion of the scrutiny of the Forms (including e-voting) and the results of the Postal Ballot will be announced on **29<sup>th</sup> March, 2019** and the same will be displayed on the Notice Board at the Registered Office of the Company. The results will also be displayed on the Company's website at [www.kandagirimills.com](http://www.kandagirimills.com) and will also be communicated to the stock exchanges where the shares of the Company are listed. The Resolution(s), if approved by requisite majority, shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting.





**PROPOSED RESOLUTIONS**

**Special Business**

**1. Approval for continuation of Sri S. Gnanasekharan as a Non-Executive Independent Director**

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

RESOLVED THAT pursuant to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions, if any, consent of members of the Company be and is hereby accorded for continuation of Sri S. Gnanasekharan (DIN: 06796817), who has attained the age of seventy five (75) years, as a Non-Executive Independent Director of the Company who shall hold Office till the remaining period of his existing tenure (i.e. till the conclusion of 43<sup>rd</sup> Annual General Meeting of the Company to be held in the year 2019).

**2. Approval for Inter-Corporate Borrowings from related party**

To consider and if thought fit, to pass with or without modification(s) the following resolutions as Ordinary Resolutions:

RESOLVED THAT pursuant to regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions, if any and subject to other approvals and consents from the appropriate authorities if necessary and to the extent applicable, consent of the members of the Company be and is hereby accorded for the continuance of the existing unsecured Inter-Corporate Borrowings of Rs. 6.00 Crores at the rate of interest 12% p.a. (payable yearly) availed from M/s Sambandam Spinning Mills Limited (the related party) and the loan be repaid on or before 31-05-2020.

RESOLVED FURTHER that pursuant to regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions, if any and subject to other approvals and consents from the appropriate authorities if necessary and to the extent applicable, consent of the members of the Company be and is hereby accorded to borrow unsecured Inter-Corporate borrowings of Rs. 6 Crores from M/s Sambandam Spinning Mills Limited (the related party) at the rate of interest and at other terms and conditions of borrowal and repayment thereof as reviewed by the Audit Committee from time to time and as decided by the Board of Directors from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company as it may consider necessary, for the purposes of giving effect to the above mentioned resolutions.

**3. Approval for accepting security from related party**

To consider and if thought fit, to pass with or without modification(s) the following resolutions as Ordinary Resolutions:

RESOLVED THAT pursuant to regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions, if any, consent of the members of the Company be and is hereby accorded to accept the security provided/to be provided by Sambandam Fabrics Private Limited (the related party) in favour of the Company's Bankers for securing the various credit facilities, aggregating to a sum of Rs. 40 Crores granted by the Banks to the Company.





RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such necessary steps in this regard and to settle all matters arising out of and incidental thereto, and to sign and execute all applications, agreements, documents and writings that may be required, on behalf of the Company and to do all such acts, deeds and things as may be necessary, usual or expedient for giving effect to the above resolution as it may think fit in the best interest of the Company and also to delegate all or any of the above powers herein conferred, to any Committee of Directors or any one or more Directors of the Company as it may consider necessary, for the purposes of giving effect to the abovementioned resolutions.

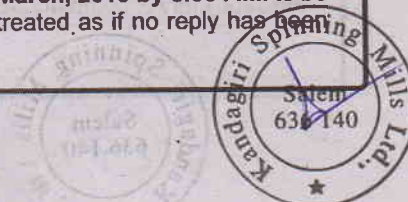
By order of the Board of Directors  
For Kandagiri Spinning Mills Limited

Place : Salem  
Date : Feb 13, 2019

J. Asifa  
Company Secretary

**NOTES :-**

1. The explanatory statement setting out the material facts in respect of the above stated agenda item nos. 1 to 3, as required under Section 102 of the Companies Act, 2013 is annexed hereto.
2. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the members appearing in the Company's Register of Members/record of depositories as at the close of the business hours on **15<sup>th</sup> February, 2019 ("cut-off date")**. A person who is not a member as on the cut-off date should treat this notice for information purposes only
3. Physical copy of the postal ballot notice (along with postal ballot form and self addressed business reply envelope) is being sent by the permitted mode to all the members whose names appear in the Company's Register of Members/record of depositories as at the close of the business hours on **15<sup>th</sup> February, 2019 ("cut-off date")** and also electronically by e-mail to those members (as on cut-off date) who have registered their e-mail addresses and PAN with the RTA/depositories.
4. The Notice is also placed on the website of the Company i.e. [www.kandagirimills.com](http://www.kandagirimills.com) and also on the website of Central Depository Services (India) Limited.
5. All the material documents referred to in the notice and explanatory statement are available for inspection by the members at the Company's Registered Office during business hours on all its working days from the date of dispatch of the notice till **27<sup>th</sup> March, 2019**.
6. The last date for receipt of postal ballot forms or e-voting i.e. **27<sup>th</sup> March, 2019** shall be taken as the date of passing resolutions, if approved by requisite majority. Resolutions passed by the members through postal ballot voting facility (including voting through electronic means) shall be deemed to have been passed at a duly convened General Meeting of the members subject to receipt of the requisite number of votes in favour of the resolutions.
7. Kindly note that Members can opt for only one mode of voting i.e. either by Postal Ballot Form or e-voting. In case of receipt of vote by both the modes, voting through e-voting shall prevail and voting by Postal Ballot Form shall be treated as invalid.
8. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
9. **VOTING THROUGH PHYSICAL POSTAL BALLOT FORM**
  - (i) The Members are requested to carefully read the instructions printed overleaf the Postal Ballot Form and return the Postal Ballot Form duly completed with the assent (for) or dissent (against), in the enclosed postage pre-paid self-addressed business reply envelope, so as to reach the Scrutinizer, on or before **Wednesday, 27<sup>th</sup> March, 2019 by 5.00 P.M.** to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.



## Kandagiri Spinning Mills Limited



- (ii) 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.

Envelopes containing Postal Ballot Form if deposited in person or sent by courier/post at the expense of the Members will also be accepted.

### 10. VOTING THROUGH ELECTRONIC MEANS

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for e-voting purpose.

The voting period begins on Tuesday, 26.02.2019 at 9.00 a.m and ends on Wednesday, 27.03.2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 15.02.2019 (cut-off date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**Instructions for members for voting electronically are as under:-**  
**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" "KANDAGIRI SPINNING MILLS LIMITED" from the drop down menu and click on "SUBMIT".
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code (image verification) as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://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.
- (vi) Now fill up the following details in the appropriate boxes:

For Members holding shares in Demat Form or in 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 / RTA / DP are requested to use the first two letters of their name and the sequence number in the 'PAN field'. The S.L. No. printed on your address label slip pasted on the envelope added with sufficient 0s in between the first two letters of your name and the S.L. No. to fill the ten digit PAN field for this purpose,  Example : If your name is Ramesh with S.L. No. 00003615 then enter RA00003615 in the 'PAN field'. If the name is V.K. Mohan with S.L. No. 00000005, enter VK00000005 in the 'PAN field'.
Date of Birth (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 DOB or dividend bank details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.





- vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly 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.
- (ix) Click on the EVSN for the relevant <Company Name> "KANDAGIRI SPINNING MILLS LIMITED" on which you choose to vote.
- (x) 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.
- (xi) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) If Demat account holder has forgotten the changed password then, enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvi) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xvii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).





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

**Agenda Item No. 1 : Approval for continuation of Sri S. Gnanasekharan as a Non-Executive Independent Director**

Sri S. Gnanasekharan was appointed as a Non-Executive Independent Director at the 38<sup>th</sup> Annual General Meeting of the Company held on 28.09.2014 for a period of five consecutive years to hold office up to the conclusion of 43<sup>rd</sup> Annual General Meeting of the Company. Sri S. Gnanasekharan is of 80 years of age. He is a fellow Member of ICSI and has served in various senior positions in the Corporate Sector. He has over five decades of vast experience in the Corporate Profession including experience of more than three decades in Finance and Accounts, General Administration, Public Relations etc. Presently he is a Practising Company Secretary.

As per the amendments to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide SEBI circular dt. 9<sup>th</sup> May, 2018, no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a special resolution is passed to that effect. This amendment is effective from 01<sup>st</sup> April 2019.

Since Non-Executive Independent Director Sri S. Gnanasekharan has crossed the age limit of 75 years, his directorship can be continued for his remaining term only with the approval of shareholders by way of passing of special resolution.

Taking into consideration, his Professional qualification and expert knowledge in Company Law and other connected matters and his contribution to the Company and on the recommendation of Nomination and Remuneration Committee, the Board of Directors at their Meeting held on 13<sup>th</sup> February, 2019 has recommended for continuation of Sri S. Gnanasekharan as Non-Executive Independent Director on the Board. Accordingly, Board recommends to the shareholders to pass this Special resolution as set out against Agenda Item No: 1 of the Notice.

None of the Directors/Key Managerial Personnel or their relatives except Sri S. Gnanasekharan, director to whom this resolution relates, is interested or concerned in this resolution. It is further declared with reference to the proviso to sub-section 2 of Section 102 of the Companies Act, 2013 that the proposed resolutions do not have any bearing with the business of any other company.

**Agenda Item No.2 Approval for Inter-Corporate Borrowings from Related Party**

With the approval of the Audit Committee and Board at the respective meetings held on 12.11.2017 and 13.11.2017, the Company had availed Inter-Corporate Borrowings of Rs. 6.00 Cr from M/s Sambandam Spinning Mills Limited (being a related party) for Working capital requirements. The due date of repayment is on May 31, 2019. The borrowing limit of Rs. 6.00 Cr did not exceed the 10% of the annual turnover of the Company as per the audited financial results of the FY 2016-17 and hence it was not a related party transaction of material nature. Hence no approval of the shareholders was required at the time of such borrowal.

The Audit Committee and the Board reviewed the financial position of the Company and decided to continue the existing unsecured Inter- Corporate borrowal from M/s Sambandam Spinning Mills Limited upto 31-05-2020 on the same terms and conditions. Since the borrowing limit exceeds 10% of the Annual Turnover of the Company as per the Audited Financial Results of the FY 2017-2018 approval of the shareholders for continuing the facility is needed as it is a related party transaction of material nature.

Further the Audit Committee and Board found it expedient to get the approval of the shareholders for availing unsecured Inter-Corporate Borrowal upto a limit of Rs.6 Crores from M/s Sambandam Spinning Mills Limited (related party) on such terms and conditions as may be reviewed by the Audit Committee and decided by the Board from time to time in the best interest of the Company.





Accordingly the resolutions have been placed before the shareholders under Agenda item No.2 in the meeting notice to comply with the Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015. The Board recommends to the shareholders to give their approval by passing ordinary resolutions.

The above referred borrowings of Rs. 6.00 Cr is well within the limits of borrowing powers of the Company (Rs.300 Crores) approved by the shareholders by passing of special resolution under section 180 (1) (c) of the Companies Act, 2013 at the AGM held on 28.09.2014.

None of the Directors/Key Managerial Personnel or their relatives except Chairman and Non-Executive Director Sri S. Devarajan also being Chairman and Managing Director of Sambandam Spinning Mills Limited is interested or concerned in this resolution.

Further Details as required under proviso to sub-section 2 of Section 102 of the Companies Act, 2013

Sl. No.	Name of the Director	No. of shares held in Sambandam Spinning Mills Limited	% of shareholding
1.	S. Devarajan	463742	10.87
2.	S. Devarajan HUF	45895	1.08

**Agenda item No.3 Approval for accepting security from Related Party**

The Company has availed various secured credit facilities from the Banks for its business operations and the outstanding principal amount of the various credit facilities from the Banks is around Rs 32 Crores, as on 13-02-2019.

The shareholders had approved by way of special resolution through postal ballot resolution passed on 19<sup>th</sup> December, 2016 to sell/transfer/dispose of Company's business unit namely Wind Energy Generators ("Windmills") (situated at Tirunelveli and Coimbatore districts having a capacity of 10.125 MW electricity generation) and part of the remaining assets to meet Bank Term Loan Repayments, Cash Credit Payments, Inter- Corporate Borrowings Repayments and Pressing Creditor Payments. Pursuant to the aforesaid approval of the shareholders, the Company had inter-alia approached the Company's Bankers for releasing one of the assets of the Company which has been held as security for the credit facilities availed by the Company.

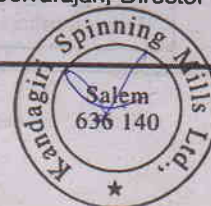
Bankers had agreed to the request of the Company subject to the condition that the Company has to provide requisite collateral security as a first step. In this regard, the Company has approached Sambandam Fabrics Private Limited [SFPL] (being a related party, as some of the directors of the Company are also being Directors of Sambandam Fabrics Private Limited) and requested SFPL to provide its assets as collateral cum inter-corporate security to meet the purpose as abovementioned.

Sambandam Fabrics Private Limited has agreed to give its assets as collateral security for the credit facilities granted by the Banks. SFPL has also obtained necessary Board and Shareholders approval pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder.

On the recommendation of the Audit Committee, the Board places the proposal for accepting the security provided/to be provided by Sambandam Fabrics Private Limited in favour of the Company's Bankers for securing the various credit facilities of the Company upto a maximum amount of Rs. 40 Crores.

The proposal is in the best interest of the Company. As per regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, the proposal is a material related party transaction and requires approval of shareholders. The Board recommends to the shareholders to give their approval by passing ordinary resolution.

None of the Directors/Key Managerial Personnel or their relatives except Sri S. Devarajan, Chairman & Non-Executive Director, Sri R. Selvarajan, Managing Director (Directors of SFPL) and Sri S. Vijay Shankar, Director & CFO and Dr. A. Sarayu, Non-Executive Director (Relatives of Sri R. Selvarajan, Director of SFPL) is interested or concerned in this resolution.





# Kandagiri Spinning Mills Limited



Further Details as required under proviso to sub-section 2 of Section 102 of the Companies Act, 2013

Sl. No.	Name of the Director	No. of shares held in Sambandam Fabrics Private Limited	% of shareholding
1.	S. Devarajan	590	23.14
2.	R. Selvarajan	510	20

By order of the Board of Directors  
For **Kandagiri Spinning Mills Limited**

Place : Salem  
Date : Feb 13, 2019

**J. Asifa**  
Company Secretary

## Additional Information on Directors required under Reg 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of the Director	Sri S. Gnanasekharan
DIN	06796817
Date of Birth	29-05-1938
Date of Appointment	14-02-2014
Qualification	FCS – Fellow Member of ICSI
Expertise in Specific Functional areas	He is a fellow Member of ICSI and has served in various senior positions in the Corporate Sector. He has over five decades of vast experience in the Corporate Profession including experience of more than three decades in Finance and Accounts, General Administration, Public Relations etc. Presently he is a Practising Company Secretary.
Directorship in other Companies	1. Non-Executive Independent Director in Sambandam Spinning Mills Limited (SSML) 2. Non-Executive Independent Director in Annai Infra Developers Limited
Committee Membership in other Companies	<u>Holds following Committee Membership in SSML</u> 1. Audit Committee – Member 2. Nomination and Remuneration Committee – Member 3. Stakeholders Relationship Committee - Chairman
No. of shares in the Company	Nil
Inter-se relationship with any other directors	Nil
Number of Board meetings attended during the year – FY 2018-19	Attended four out of four Board Meetings held during the year
Terms and conditions of appointment	Continuance of appointment as Non-Executive Independent Director
Remuneration sought to be paid	Not Applicable
Remuneration last drawn	Not Applicable





## KANDAGIRI SPINNING MILLS LIMITED

Post Box No.3, Udayapatti, Salem 636 140.

Ph. 0427-2244400; Fax-0427-2244422, CIN : L17111TZ1976PLC000762

E mail: sales@kandagirimills.com; ksmcs@kandagirimills.com,

Website : www.kandagirimills.com

### POSTAL BALLOT FORM

(Please read the instructions printed overleaf carefully before completing this form)

Serial No: \_\_\_\_\_

1.	Name & Address of the Sole/First Named Member	
2.	Name(s) of Joint holder(s) if any	
3.	Registered Folio No. / *DP ID & Client ID No. (*Applicable for shares in demat form)	
4.	No. of Equity Shares held	

I/We hereby exercise my/our vote in respect of the Ordinary/Special Resolutions to be passed through postal ballot as detailed in the Notice of the Company dated 13<sup>th</sup> February, 2019, by sending my/our Assent (Yes) or Dissent (No) to the said resolutions by placing the tick (✓) mark in the appropriate column below:-

Item No.	Brief Description of the Resolution	Nature of Resolution	No. of equity shares held	I/We assent to the Resolution (Yes)	I/We dissent to the Resolution (No)
1.	Approval for continuation of Sri S. Gnanasekharan as a Non-Executive Independent Director	Special			
2.	Approval for Inter-Corporate Borrowings from related party	Ordinary			
3.	Approval for accepting security from related party	Ordinary			

- Note : 1) Kindly read the instructions printed overleaf (next page) before filling this form.  
2) Last date of receipt of this form by the Scrutinizer: 27<sup>th</sup> March, 2019 upto 5.00 p.m.

Place : \_\_\_\_\_  
Date : \_\_\_\_\_  
Signature of the Member

#### (ELECTRONIC VOTING PARTICULARS)

- Please refer the detailed instructions for evoting (including e-voting link, EVSN, User id & Password) given under Note No. 10 of the Postal Ballot Notice sent herewith
- E-voting Starting Period : (From) 26<sup>th</sup> February, 2019 at 9.00 a.m.  
Ending Period : (To) 27<sup>th</sup> March, 2019 at 5.00 p.m.





**INSTRUCTIONS**

1. A member desiring to exercise vote by Postal Ballot shall complete this Postal Ballot Form and send it duly and properly sealed to the Scrutinizer in the self-addressed business reply envelope sent herewith. However, envelopes containing Postal Ballot form, if deposited in person or sent by courier / post at the expense of the member will also be accepted. Members are requested to convey their assent or dissent in this postal Ballot form only. Assent or dissent received in any other form or manner shall be considered as invalid.
2. This Form should be completed and signed by the member (as per the specimen signature registered with the Company / Depository Participant(s)). In case of Joint holding, this form should be completed and signed by the first named member and in his absence, by the next named Member. However, where the form is sent separately by the first named member as well as by the joint holder(s), the vote cast by the first named member would be considered.
3. Duly completed Postal Ballot form should reach the scrutinizer not later than **5 PM IST on 27<sup>th</sup> March, 2019**. All Postal Ballot forms received after this date will be strictly treated as if reply from such member(s) has not been received.
4. There will be only one Postal Ballot Form for every Folio No. / DP ID\_Client ID No. irrespective of the number of Joint Member(s). On receipt of the duplicate Postal Ballot Form, the original will be rejected.
5. In case of shares held by Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board Resolution / Power of Attorney / attested specimen signatures etc.
6. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed business reply envelope, as all such envelopes will be sent to the scrutinizer and any extraneous paper found in such envelope would be destroyed by the scrutinizer and the Company would not be able to act on the same.
7. In case any member is desirous of obtaining a printed postal ballot form or a duplicate thereof, the same may be requested by sending an e-mail to [sales@kandagirimills.com](mailto:sales@kandagirimills.com). However, the duly filled-in/signed duplicate postal ballot form should reach the scrutinizer not later than the date and time specified above in Clause No. 3 of the Instructions.
8. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected. The scrutinizer's decision on the validity of the Postal Ballot Form will be final and binding.
9. Additionally, please note that the Postal Ballot Forms shall be considered invalid if:
  - a) A form other than one issued by the Company has been used;
  - b) It has not been signed by or on behalf of the member;
  - c) Signature on the postal ballot form doesn't match the specimen signatures registered with the Company;
  - d) It is not possible to determine without any doubt the assent or dissent of the member;
  - e) Neither assent or dissent is mentioned;
  - f) Any competent authority has given directions in writing to the Company to freeze the voting rights of the Member;
  - g) It is defaced or mutilated in such a way that its identity as genuine form cannot be established;
  - h) The member has made any amendment to the Resolution or imposed any condition while exercising his vote.
10. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member(s) as on **15<sup>th</sup> February, 2019** (cut-off date).
11. A member need not use all his/her votes nor does he/she need to cast his/her votes in the same way.
12. Voting right in Postal Ballot/E-voting cannot be exercised by a proxy.
13. The Company is pleased to offer e-voting facility as an alternate, for all the Members of the Company to enable them to cast their votes electronically instead of returning duly filled-up Postal Ballot Form. Members can opt for only one mode of voting i.e., either by ballot or through E-voting. In case members cast their votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through postal ballot shall be considered invalid.

Any query/grievances connected with voting by postal ballot/e-voting, may be addressed to Company Secretary at the Email id and Phone No. of the Company mentioned in both postal ballot form & notice.





# Kandagiri Spinning Mills Ltd.

/TEXT OF NEWSPAPER PUBLICATION/

## KANDAGIRI SPINNING MILLS LIMITED

Corporate Identity Number (CIN): L17111TZ1976PLC000762

Registered Office: POST BAG NO.3, UDAYAPATTI P.O SALEM – 636 140

Tel: 0427 2244400 Fax: 0427 2244422

Email: [sales@kandagirimills.com](mailto:sales@kandagirimills.com) Website: [www.kandagirimills.com](http://www.kandagirimills.com)

### NOTICE OF POSTAL BALLOT

Pursuant to section 108 and 110 and other applicable provisions if any, of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Notice is hereby given that the Company is seeking members' consent through postal ballot (which includes electronic voting) in respect of all the resolutions stated in the Postal Ballot notice dated 13<sup>th</sup> February, 2019.

The Company has on 23<sup>rd</sup> February, 2019 completed sending emails and dispatch of postal ballot notice (along with postal ballot form and postage- prepaid self-addressed business reply envelope) by the permitted mode to all the members. Full text of these documents has also been hosted on the Company's website [www.kandagirimills.com](http://www.kandagirimills.com).

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide electronic voting ("e-voting") facility. **Voting through postal ballot and e-voting shall commence from 26.02.2019 at 9.00 a.m. and end on 27.03.2019 at 5.00 p.m.** Postal ballot forms received after 5.00 p.m on 27.03.2019 will not be valid and voting through postal ballot/e-voting shall not be allowed beyond the said date and time.

Members, whose name recorded in the Register of Members/record of depositories as on the cut-off date i.e. Friday, 15<sup>th</sup> February, 2019 will be entitled to cast their votes through postal ballot/e-voting. A person who is not a member as on the cut-off date should accordingly treat the Postal ballot notice for information purposes only.

Board of Directors has appointed Shri B. Kalyanasundaram, Practising Company Secretary (Membership No. 672; CQP No: 2209) of M/s B. K. Sundaram & Associates, Company Secretaries, as the Scrutinizer for conducting the postal ballot/ e-voting process in a fair and transparent manner.

Any member who has not received postal ballot form may apply to the Company by sending an email to [sales@kandagirimills.com](mailto:sales@kandagirimills.com) and obtain a duplicate thereof. Detailed instructions for postal ballot described overleaf the Postal ballot form.

In case of any queries relating to e-voting, members may also refer to the Frequently Asked Questions (FAQs) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). Detailed instructions for e-voting described in notes to the postal ballot notice.

The results of the Postal Ballot will be announced on March 29, 2019 and the same will be displayed on the Notice Board at the Registered Office of the Company. The results will also be displayed on the Company's website [www.kandagirimills.com](http://www.kandagirimills.com) and also communicated to BSE simultaneously.

Any query/grievances connected with voting by postal ballot/e-voting, may be addressed to Company Secretary at the Email id and Phone No. of the Company, mentioned above.

By order of the Board  
For Kandagiri Spinning Mills Limited  
J. Asifa  
Company Secretary

Salem  
23.02.2019



Regd. Off: Mill Premises, Udayapatti (P.O), P.B.No.3, Salem – 636 140. Phone: Mill 0427-2244400  
Fax: 0427-2244422; Grams: SUPERSPINE; e-mail: [sales@kandagirimills.com](mailto:sales@kandagirimills.com); Web: [www.kandagirimills.com](http://www.kandagirimills.com)

