



Kandagiri Spinning Mills Ltd.

Ref: KSML/CS/ 014/2019-20

17th July, 2019

To
The Listing Department,
Bombay Stock Exchange Limited,
Floor 25, P.J.Towers,
Dalal Street,
Mumbai – 400 001

Dear Sir,

Sub: Notice of 43rd AGM of the Company scheduled to be held on 11.08.2019 and Book Closure Advertisement
Ref: Regulation 42, 44 and 47(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the above captioned subject, we herewith inform you that the 43rd AGM of the Company is scheduled to be held on 11.08.2019.

Kindly note that the Register of Members and the Share Transfer Books of our Company will remain closed from **Monday, 5th August, 2019 to Sunday, 11th August, 2019** (both days inclusive) for the purpose of the AGM.

Further herewith enclosed, Notice convening the ensuing 43rd Annual General Meeting of the Company and text of newspaper publication (intimating closure of transfer books for the purpose of AGM, details of remote e-voting facility for the AGM resolutions and dispatch of Annual Report of the FY 2018-19) arranged to be published on 18th July, 2019.

Kindly take the same for your records.

Thanking you,

Yours faithfully,
For Kandagiri Spinning Mills Limited

J. Asifa
Company Secretary

Encl:

1. Notice convening the 43rd AGM of the Company.
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.

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NOTICE TO THE SHAREHOLDERS

Notice is hereby given pursuant to section 96 and other applicable provisions of the Companies Act, 2013 that the Forty third (43rd) Annual General Meeting of the Company will be held at the Mill Premises of Sambandam Spinning Mills Limited at Kamaraj Nagar Colony, Salem 636 014 on **Sunday, the 11th August, 2019 at 11.30 a.m.** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt
 - a. The Audited Financial Statements of the Company for the year ended March 31, 2019 together with the notes annexed thereto and the reports of the Board of Directors and the Auditors thereon.
 - b. The Audited Consolidated Financial Statements of the Company for the year ended March 31, 2019 together with the notes annexed thereto and the report of the Auditors thereon.
2. Non-Executive Director Sri S. Vijay Shankar (holding DIN 00001711) who retires by rotation and being eligible, offers himself for re-appointment.
3. **Remuneration of Statutory Auditors**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

RESOLVED THAT the remuneration of the Statutory Auditors M/s. R. Sundararajan and Associates, Chartered Accountants (Firm registration No.008282S) to conduct the statutory audit for the financial year 2019-2020 and to give their report thereon, be and is hereby fixed at Rs.3,70,000/- (Rupees Three Lakhs and Seventy thousand only) excluding the out of pocket expenses that may be incurred by them in connection with the audit and excluding the applicable GST."

SPECIAL BUSINESS

4. **Reappointment of Sri S. Gnanasekharan as a Non-Executive Independent Director**

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri S. Gnanasekharan (DIN: 06796817), Non-Executive Independent Director of the Company, being eligible for reappointment and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five consecutive years from 11/08/2019 to 10/08/2024 despite he has crossed the age of seventy five years.



5. Reappointment of Sri Kameshwar M. Bhat as a Non-Executive Independent Director

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri Kameshwar M. Bhat (DIN: 06951906), Non-Executive Independent Director of the Company, being eligible for reappointment and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five consecutive years from 11/08/2019 to 10/08/2024.

6. Ratification of remuneration payable to the Cost Auditor

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

RESOLVED THAT the remuneration of Rs.50,000/- (Rupees fifty thousand only) payable for audit of cost accounts of the Company for the financial year ending 31st March, 2020 to CMA K.M. Krishnamurthy, (Membership No.10026, Firm Registration No: 102198) Cost Accountant as recommended by the Audit Committee and approved by the Board of Directors of the Company pursuant to section 148 of the Companies Act 2013 read with rule 14 and other applicable rules of the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) excluding the out of pocket expenses that may be incurred by him in connection with the audit and excluding the applicable GST be and is hereby ratified.

RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

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

Place : Salem
Date : May 26, 2019

J. Asifa
Company Secretary

NOTES :

1. A Member entitled to attend and vote is entitled to appoint proxy/proxies to attend and vote instead of himself/ herself and the proxy need not be a Member. Please read the instructions printed overleaf the Proxy Form attached to this notice before using the Form. The right of remote e-voting shall not be exercised by a Proxy.
2. The explanatory statement of material facts pursuant to Section 102 of the Companies Act, 2013 in respect of business set out under Items No. 3 to 6 of the Notice is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from **5th August, 2019 to 11th August, 2019** (both days inclusive).
4. Members holding shares in physical form are requested to contact M/s Cameo Corporate Services Limited, Registrars and Share Transfer Agents of the Company, at 'Subramaniam Building', No. 1 Club House Road, Chennai – 600 002 for recording any change of address, bank mandate, or nominations and for redress of grievance or contact the Company Secretary at the Registered Office of the Company.
In case of shareholders holding shares in demat form, all such intimations are to be sent to their respective Depository Participants (DP). Members can also submit their grievances direct to the Company at the following email ID: sales@kandagirimills.com ; ksmcs@kandagirimills.com
5. As per the provisions of the Companies Act, facility for making nominations is available to individuals holding shares in the Company. The prescribed nomination form can be obtained from the RTA/ Depository Participants.



6. Transfer of Unclaimed/Unpaid dividends along with underlying shares to IEPF

Pursuant to Section 124 & 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 which came into effect from 07.09.2016 with subsequent amendments thereto, in addition to transfer of unpaid/unclaimed dividend of seven years to IEPF a/c, the underlying shares with respect to unpaid/unclaimed dividend of seven consecutive years has to be transferred by the company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

In accordance with the above provisions, during the year 2018-19, Company has transferred Unpaid/Unclaimed Final dividend of the FY 2010-11 along with the underlying shares of the year 2010-11 (Final Dividend) to IEPF a/c as detailed below:

Unpaid / Unclaimed Dividend amount transferred: Rs. 1,18,528/- on 10.10.2018

No. of transfer of underlying shares to IEPF: 9,628 shares transferred on 15.10.2018

Shareholders can claim the respective dividends and shares from IEPF by filing the requisite forms and following the procedures as stated in the IEPF rules.

7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market for registering transfers, transpositions, transmissions etc. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA, Cameo Corporate Services Limited, at 'Subramanian Building', No. 1, Club House Road, Chennai – 600 002.
8. Additional information pursuant to regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards (SS-2) in respect of Directors seeking re-appointments at the AGM are furnished and forms part of the Notice. The Directors have furnished the requisite consents / declarations for their re-appointment(s).
9. Members are requested to inform the Company their e-mail ID to facilitate quick response from the Company. Ministry of Corporate Affairs has recognised e-mail communication to share holders as effective and efficient means of communication from the Company and also member's communication to the Company. Members may register their e-mail id with the Company and also keep the Company informed of any changes in their e-mail ID.
10. Members who have not so far dematerialized their shares are advised to demat the shares held in Physical form which will ensure safety and security for their shares.
11. The Notice along with the Annual Report 2018-19 is being sent by electronic mode to those members whose email addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and Annual Report 2018-19 will also be available on the Company's website www.kandagirimills.com

12. VOTING THROUGH ELECTRONIC MEANS [Remote E-voting]

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote e-voting facility to the members to cast their votes electronically on all Resolutions set forth in the Notice convening the 43rd AGM. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for this purpose.

The voting period begins on **07.08.2019 at 9.15 a.m.** and ends on **10.08.2019 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on **4th August, 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
- (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 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

For Members holding shares in Demat Form or in Physical Form	
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> <p>* 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 slip pasted on the Annual Report 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</p> <p>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'.</p>
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 yours 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 under help section or write an email to helpdesk.evoting@cDSLindia.com.

In case of members acquiring shares after the dispatch of the notice:

Any person who acquires shares of the Company and becomes a member of the Company as on the cut-off date shall follow the above instructions to cast their vote through e-voting process.

13. VOTING AT THE VENUE OF THE AGM

In terms of Companies (Management and Administration) Amendment Rules, 2015 with respect to the voting through electronic means, the Company is pleased to offer the facility for voting by way of polling at the venue of the AGM. Members attending the meeting should note that those **who are entitled to vote but have not exercised their right to vote by 'Remote e-voting' may vote at the AGM through polling for all businesses specified in the Notice. Members who have exercised their right to vote by Remote e-voting may attend AGM but shall not vote at the AGM.**

- 14. The voting rights of the members shall be in proportion to their shares of the paid up Equity Share Capital of the Company as on the 'cut-off' date being **Sunday, 4th August, 2019.**
- 15. **SHRI B. KALYANASUNDARAM (MEMBERSHIP NO. 672) OF M/S B. K. SUNDARAM & ASSOCIATES, PRACTISING COMPANY SECRETARIES** has been appointed as the Scrutinizer to scrutinize the remote e-voting and AGM venue voting processes in a fair and transparent manner.
- 16. The Scrutinizer shall, immediately after the conclusion of the voting at the general meeting, will count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company.
- 17. The Scrutinizer not later than 48 hours of the conclusion of the AGM shall submit a consolidated report of the total votes cast through remote e-voting process and votes cast at the AGM to the Chairman or any person authorised by him who shall countersign the same and declare the results of the voting forthwith.
- 18. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.kandagirimills.com and the website of the CDSL immediately after the declaration of result and shall also be immediately forwarded to the Stock Exchange where the Company's shares are listed.



19. All documents referred to in this notices will be available for inspection on all working days during business hours of the Company until the date of the Annual General Meeting of the Company.
20. Proxy and Attendance Slips are enclosed in Page No. 131

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

Item No. 3 – Remuneration of Statutory Auditors

At the 42nd Annual General Meeting of the Company held on 11.08.2018, M/s R. Sundararajan & Associates, Chartered Accountants, were reappointed as statutory Auditors of the Company for the financial years 2018-2019 to 2021-2022. Statutory Auditors M/s R. Sundararajan & Associates, Chartered Accountants have confirmed their eligibility and willingness to continue their office. On the recommendation of the Audit Committee, Board herewith places the resolution for the remuneration payable to the statutory Auditors for conduct of the statutory audit for the FY 2019-20, before the member's for approval.

Item No. 4 - Re-appointment of Sri S. Gnanasekharan as a Non-Executive Independent director

Sri S. Gnanasekharan was appointed as a Non- Executive Independent Director of the Company by the members at the 38th AGM of the Company held on 28th September, 2014 for a period of five consecutive years commencing from the date of 38th AGM of the Company till the conclusion of the 43rd AGM of the Company.

Further, in accordance with the amendments to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated 9th May, 2018 and effective from 01.04.2019, approval of members by way of special resolution was obtained for continuation of Non- Executive Independent Director, Sri S. Gnanasekharan for his remaining tenure (i.e., upto conclusion of the 43rd AGM of the Company), vide postal ballot on 27.03.2019, since he had crossed the age limit of 75 years.

As per the provisions of Section 149(10) and 149(11) of the Companies Act, 2013, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company. Non- Executive Independent Director, Sri S. Gnanasekharan is of 80 years of age and in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the director's reappointment will require passing of special resolution, as he crossed the age limit of seventy five years.

Taking into consideration, his Professional qualification and expert knowledge in Company Law and other connected matters and his contribution to the Company and based on the performance evaluation of the Independent Director and as per the recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri S. Gnanasekharan, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, the Board of Directors at their Meeting held on 26th May, 2019 has recommended for re-appointment of Sri S. Gnanasekharan as a Non-Executive Independent Director for a second term of five consecutive years from 11/08/2019 to 10/08/2024, though he has crossed seventy five years of age.

The Company has received declaration from Sri S. Gnanasekharan stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Sri S. Gnanasekharan fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his reappointment as a Non-Executive Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Sri S. Gnanasekharan as a Non-Executive Independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day until the date of AGM of the Company.



Accordingly, the Board recommends passing of this Special Resolution by the shareholders as set out under Item No: 4 of the Notice.

Except Sri S. Gnanasekharan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of the AGM. Sri S. Gnanasekharan is not related to any Director of the Company.

Item No. 5 - Re-appointment of Sri Kameshwar M. Bhat as a Non-Executive Independent Director

Sri Kameshwar M. Bhat was appointed as a Non- Executive Independent Director of the Company by the members at the 38th AGM of the Company held on 28th September, 2014 for a period of five consecutive years commencing from the date of 38th AGM of the Company till the conclusion of the 43rd AGM of the Company.

As per Section 149(10) and 149(11) of the Companies Act, 2013, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Taking into consideration, his Professional qualification and expert knowledge in Banking, Finance related matters and his contribution to the Company and based on the performance evaluation of the Independent Director and as per the recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri Kameshwar M. Bhat, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, the Board of Directors at their Meeting held on 26th May, 2019 has recommended for re-appointment of Sri Kameshwar M. Bhat as a Non-Executive Independent Director for a second term of five consecutive years from 11/08/2019 to 10/08/2024.

The Company has received declaration from Sri Kameshwar M. Bhat stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Sri Kameshwar M. Bhat fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his reappointment as a Non-Executive Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Sri Kameshwar M. Bhat as a Non-Executive Independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day until the date of AGM of the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Sri Kameshwar M. Bhat as an Independent Director.

Accordingly, the Board recommends passing of this Special Resolution by the shareholders as set out under Item No: 5 of the Notice.

Except Sri Kameshwar M. Bhat, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice of the AGM. Sri Kameshwar M. Bhat is not related to any Director of the Company.



Item No.6 - Ratification of the Remuneration payable to Cost Auditor

Though the turnover of the Company for the financial year 2018-19 is below Rs. 100 Cr, in accordance with the clarifications issued by Institute of Cost Accountants of India vide Frequently Asked Questions (FAQs) dt. 19/03/2015 on applicability of Maintenance of Cost Accounting Records and Cost Audit under Companies Act, 2013 by the Companies on continuous basis, Board of Directors decided to continue the Cost Audit for the FY 2019-20. On the recommendation of the Audit Committee, Board of Directors has appointed CMA K.M. Krishnamurthy, Cost Accountant as Cost Auditor of the Company for audit of cost accounts of the Company for the FY 2019-20 on the remuneration of Rs.50,000/- (Rupees Fifty Thousand only) excluding out of pocket expenses and GST. As per the provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules 2014 with subsequent amendments thereto, remuneration payable to the cost auditor as approved by the Board of directors of the Company shall be ratified by the shareholders. Resolution for this purpose is placed for consideration of members for ratification of the remuneration as stated in the resolution. None of the directors or the key managerial personnel or their relatives is interested in the resolution.

It is declared pursuant to Section 102 of the Companies Act, 2013 that none of the directors / relatives of directors / Key Managerial Personnel / Manager is interested, except to the extent stated in the explanatory statement for each of the special business in any respect, except in their capacity as Directors and/or shareholders of the Company. 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. The documents relating to the subject matters under special business are open for inspection by the shareholders during office hours on all working days during business hours at the Registered Office of the Company till the date of the ensuing Annual General Meeting”

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

Place : Salem
Date : May 26, 2019

J. Asifa
Company Secretary

Details of Directors Seeking Re-appointment

Name of the Director	Sri S. Vijay Shankar	Sri S. Gnanasekharan	Sri Kameshwar M. Bhat
DIN	00001711	06796817	06951906
Date of birth	23-01-1977	29-05-1938	21-07-1964
Date of Appointment	23-10-2002	14-02-2014	28-09-2014
Qualification	MBA	FCS - Fellow Member of ICSI	M.sc (Agri). CAIIB, PGDM
Expertise in Specific Functional areas	He became the Joint Managing Director of the Company on 23rd October, 2002 and has served the company since then. Further, he resigned from the post of JMD and continued as CFO and Non-Executive Director from 01.04.2014. He has been on the Board of various companies and has more than four decades of experience in the field of textile industry.	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.	He is a Financial Consultant and partner in KMB Associates, LLP. He has over of 25 years of experience in Banking, Financial Services and Retail Operations Management. He retired in the position of Assistant General manager of Karnataka Bank Limited.

Kandagiri Spinning Mills Limited



Name of the Director	Sri S. Vijay Shankar	Sri S. Gnanasekharan	Sri Kameshwar M. Bhat
Directorship in other Companies	1. SPMM Health Care Services Private Limited, Salem (SPMM)	1. Non-Executive Independent Director in Sambandam Spinning Mills Limited (SSML) 2. Director in Annai Infra Developers Limited	1. Non-Executive Independent Director in Sambandam Spinning Mills Limited (SSML) 2. Partner, KMB Associates, LLP
Committee Membership in other Companies	Nil	Holds following Committee Membership in SSML 1. Audit Committee – Member 2. Nomination and Remuneration Committee – Member 3. Stakeholders Relationship Committee - Chairman	Holds following Committee Membership in SSML 1. Audit Committee – Chairman 2. Nomination and Remuneration Committee – Chairman
No. of shares in the Company	4,09,582	NIL	NIL
Inter-se relationship with any other directors	He is son of Managing Director Sri. R. Selvarajan and husband of Non-Executive Director Dr. A. Sarayu	NIL	NIL
Number of Board meetings attended during the FY 2018-19	Attended four out of four Board Meetings held during the year	Attended four out of four Board Meetings held during the year	Attended four out of four Board Meetings held during the year
Terms and conditions of reappointment	Reappointment of Sri S. Vijay Shankar as a Non-Executive director, liable to retire by rotation	Reappointment of Sri. S. Gnanasekharan as a Non-Executive Independent Director, not liable to retire by rotation and to hold office for a second term of five consecutive years from 11/08/2019 to 10/08/2024.	Reappointment of Sri. Kameshwar M. Bhat as a Non-Executive Independent Director, not liable to retire by rotation and to hold office for a second term of five consecutive years from 11/08/2019 to 10/08/2024.
Remuneration last drawn	Sri. S. Vijay Shankar do not receive any sitting fees in his capacity as Non-Executive director but only receives remuneration in the capacity of CFO, as may be decided by the Board from time to time.	Non-Executive Independent Director Sri. S. Gnanasekharan only receives sitting fees for attending Committee/Board meetings as shown below: (i) For Audit Committee Meeting: Rs. 25000/- per meeting (ii) For Nomination and Remuneration Committee Meeting: Rs.15000/- per meeting (iii) For Board Meeting : Rs. 15000/- per meeting (iv) For CSR Committee & Stakeholders' Relationship Committee meeting : Nil	Non-Executive Independent Director Sri. Kameshwar M. Bhat only receives sitting fees for attending Committee/Board meetings as shown below : (i) For Audit Committee Meeting: Rs. 25000/- per meeting (ii) For Nomination and Remuneration Committee Meeting: Rs. 15000/- per meeting (iii) For Board Meeting : Rs. 15000/- per meeting
Remuneration sought to be paid	As referred above	Sitting fees for attending Board / Committee meetings, as may be decided by the Board from time to time, within the prescribed statutory limit.	Sitting fees for attending Board / Committee meetings, as may be decided by the Board from time to time within the prescribed statutory limit.



Kandagiri Spinning Mills Ltd.

/TEXT OF NEWSPAPER PUBLICATION/

KANDAGIRI SPINNING MILLS LIMITED

Corporate Identity Number (CIN): L17111TZ1976PLC000762

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

Tel: 0427 2244400 Fax: 0427 2244422

Email: sales@kandagirimills.com Website: www.kandagirimills.com

Notice is hereby given that the 43rd Annual General Meeting (AGM) of the Company will be held on Sunday, **11-08-2019 at 11.30 a.m.** at the Mill Premises of Sambandam Spinning Mills Limited, Kamaraj Nagar Colony, Salem – 636 014. Notice convening the 43rd AGM of the Company along with the Annual Report for the year 2018-19 has been sent to the members to their registered addresses in the permitted mode and electronically to those members who have registered their email addresses on 17-07-2019. Full text of the above documents has also been hosted in the Company's website www.kandagirimills.com. These documents are also available for inspection at the Registered Office of the Company during business hours up to the date of the AGM on 11-08-2019.

Notice is given pursuant to Section 91 of the Companies Act, 2013 (the Act) and regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Register of Members and the Share Transfer books will remain closed from **05-08-2019 to 11-08-2019 (both days inclusive)** for the purpose of AGM.

In compliance with the provisions of Section 108 of the Act, read with the relevant Rules as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Company has offered members remote e-voting facility to cast their vote for all the resolutions mentioned in the Notice of the 43rd AGM. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide remote e-voting facility. **The remote e-voting period commences at 9.15 a.m. on 07.08.2019 and ends at 5.00 p.m. on 10.08.2019.** No e-voting will be allowed beyond the said date and time. The facility of voting through polling shall be made available at the venue of the AGM and the members attending AGM who have not cast their vote through remote e-voting are entitled to vote at the AGM through poll.

Members exercised their vote through remote e-voting shall attend the AGM but are not entitled to vote at the venue of the AGM.

A person whose name appears in the register of members/beneficial owners on the cut-off date i.e., **04.08.2019** only shall be entitled to avail the facility of remote e-voting as well as voting at the venue of the AGM. Members including those who become member of the Company after dispatch of the notice and holding shares on the cut-off date shall refer the detailed instructions for e-voting described under Clause 12 "Voting through electronic means" of notes of the AGM notice to cast their vote through remote e-voting facility.

Shri B. Kalyanasundaram of B.K. Sundaram & Associates, Practising Company Secretary has been appointed as the Scrutinizer for remote e-voting and polling processes.

Any query/grievance relating to remote e-voting should be addressed to the Company Secretary, at the address or e-mail ID or phone No. mentioned above.

In case of any queries relating to remote e-voting, members may also refer to 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.

Salem
17.07.2019



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



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

