



SAMBANDAM SPINNING MILLS LIMITED UNIT-I

Registered Office : P.B. No.1, Kamaraj Nagar Colony, Salem 636 014. Tamil Nadu
(P) +91 427 2240790 (F) +91 427 2240169 (E) corporate@sambandam.com
website : www.sambandam.com Corporate Identity No..L17111TZ1973PLC000675

Ref: 263/SSML/CS/2019-20

18th 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 45th 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 45th 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 45th 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 19th July, 2019.

Kindly take the same for your records.

Thanking you,

Yours faithfully,
For Sambandam Spinning Mills Limited

S.Natarajan
Company Secretary

Encl:

1. Notice convening the 45th AGM of the Company.
2. Text of Newspaper Publication



SAMBANDAM SPINNING MILLS LIMITED



Registered Office : KAMARAJ NAGAR COLONY, SALEM – 636 014
 Corporate Identity Number (CIN) : L17111TZ1973PLC000675
 Website : www.sambandam.com, Email : corporate@sambandam.com
 Tel : 0427 2240790 Fax : 0427 2240169

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Forty Fifth Annual General Meeting (AGM) of the members of the Company will be held **at 10.45 A.M on Sunday the 11th August 2019** at the Registered Office of the Company in Kamaraj Nagar Colony, Salem to transact the following business:

ORDINARY BUSINESS :

Item **ADOPTION OF FINANCIAL STATEMENTS**

No.1 To consider and if deemed fit to pass, with or without modification(s), the following Resolution as an ORDINARY RESOLUTION :

“RESOLVED THAT the Standalone and Consolidated Audited Balance Sheet as at 31st March 2019 together with the Statement of Profit and Loss, cash flow statement and notes to accounts for the year ended as on that date and the Reports of the Directors and the Auditors thereon be and are hereby received, considered and adopted.”

Item **DECLARATION OF DIVIDEND**

No.2 To consider and if deemed fit to pass, with or without modification(s), the following Resolution as an ORDINARY RESOLUTION :

“RESOLVED THAT dividend of rupees 2(Two) per equity share of rupees Ten (10) each be declared for the financial year ended 31st March 2019 and that the same be paid, only if approved by the Company's bankers, out of the profits of the Company for the financial year ended 31st March 2019 to those shareholders whose names appear in the Register of Members as on 4th August in the case of members holding shares in physical form and to the beneficial holders of the dematerialised shares as on 4th August as per the details provided by Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) in the case of the shares held in electronic form.”

Item : **REMUNERATION TO STATUTORY AUDITOR**

No.3 To consider and if deemed fit to pass, with or without modification(s), 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) be and is hereby fixed at Rs.6,00,000/- (rupees six lakhs only) to conduct statutory audit for the financial year 2019-2020 and to give their report thereon, excluding out of pocket expenses that may be incurred by them in connection with the audit and applicable GST.”

Item : **APPOINTMENT OF RETIRING DIRECTOR**

No.4 To consider and if deemed fit to pass, with or without modification(s), the following Resolution as an ORDINARY RESOLUTION

RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act 2013 (the Act) and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. D.Sudharsan,(DIN 00018546), Director retiring by rotation at this AGM, be and is hereby re-appointed as a non-executive director of the Company liable to retire by rotation



SPECIAL BUSINESS

ITEM APPOINTMENT OF MRS. ANNAPOORANI VENUGOPALAN AS NON EXECUTIVE INDEPENDENT WOMAN DIRECTOR

No.5 To consider and if deemed fit to pass, with or without modification(s), the following Resolution as an ORDINARY RESOLUTION :

“RESOLVED that, pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or any re-enactment(s) thereof for the time being in force), Mrs. Annapoorani Venugopalan (DIN:08276668) in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013, signifying the Member's intention to propose Mrs. Annapoorani Venugopalan (DIN:08276668) for appointment as an Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a fixed term of five years from 11/08/2019 to 10/08/2024 (both dates inclusive)”.

Item : REAPPOINTMENT OF SRI S. GNANASEKHARAN AS A NON-EXECUTIVE INDEPENDENT DIRECTOR

No.6 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 and 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), S. Gnanasekaran (DIN: 06796817), who was appointed as an Independent Director of the Company, to hold office till the conclusion of the Annual General Meeting to be held in 2019, and being eligible for one more term, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years from 11/08/2019 to 10/08/2024 (both dates inclusive) despite his age had crossed 75 years at the time of re-appointment”.

Item : REAPPOINTMENT OF SRI KAMESHWAR M. BHAT AS A NON-EXECUTIVE INDEPENDENT DIRECTOR.

No.7 To consider and if deemed fit to pass, with or without modification(s), the following Resolution as a SPECIAL RESOLUTION

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

“RESOLVED that, pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Sri Kameshwar M. Bhat (DIN:06951906), who was appointed as an Independent Director of the Company, to hold office till the conclusion of the Annual General Meeting to be held in 2019, and being eligible for one more term, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years from 11/08/2019 to 10/08/2024 (both dates inclusive)”

Item RATIFICATION OF FEES PAYABLE TO COST AUDITOR

No.8 To consider and if deemed fit to pass, with or without modification(s), the following Resolution as an ORDINARY RESOLUTION :

“RESOLVED THAT the remuneration of Rs.75,000 payable for audit of cost accounts relating to the Spinning Division and Rs.25,000 payable for audit of cost accounts relating to the Wind Mill Division of the Company for the financial year ending 31st March 2020 to M/s.K.M.Krishnamurthy & Co., Cost Accountants (firm registration number:102198) 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 them in connection with the audit and applicable service tax be and is hereby ratified.”



Item ACCEPTANCE OF FIXED DEPOSITS FROM MEMBERS OF THE COMPANY

No.9 To consider, and if thought fit, to pass with or without modification, the following Resolution, as an ORDINARY RESOLUTION :

RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to accept fixed deposits from the members of the Company in accordance with the provisions of Section 73(2) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) duly observing the procedure for accepting fixed deposits from the members of the Company and within the limits prescribed therefor.

"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."

For and on behalf of the Board of
Sambandam Spinning Mills Limited
S. Natarajan
Company Secretary

Place : **Salem**
 Date : **May 26, 2019**

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. The right of e voting shall not be exercised by proxy. Proxy Form for the AGM is attached. The proxy form in order to be effective should be deposited at the registered office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited Companies, Societies, etc., must be supported by appropriate Resolutions / Authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member is entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than 3 days advance notice in writing is given to the Company.
- 2 Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Items No.5 to 9 of the Notice to be transacted at the AGM is annexed hereto.
- 3 The Register of Members and the Share Transfer Books of the Company will remain closed from 05.08.2019 to 11.08.2019, (both days inclusive) for determining the entitlement of the shareholders to the dividend for year ended 31st March 2019.
- 4 Payment of dividend is subject to the approval of the Company's Bankers. Even if the resolution under item No.2 is passed by members at the AGM (by electronic voting or by postal ballot or by ballot paper) Dividend Warrants will be sent to the members only if approved by the Company's Bankers. In the case of shareholders opting for NECS/ECS, the dividend would in the normal course be credited to their respective accounts. Shareholders must inform the RTA in writing, if they hold shares in physical form (Share Certificate) and to their Depository Participants if they hold shares in DEMAT Form (Electronic Form) furnishing the Bank A/c details attaching a cancelled cheque leaf of that Bank Account for ensuring direct credit of the Dividend to their Bank Account.
- 5 Members holding shares in physical form are requested to notify the RTA any change in their address or bank A/c. particulars immediately and not later than 04.08.2019 and members holding shares in electronic (DEMAT) form are requested to notify any change in their address or Bank details to their respective Depository Participant, latest by 04.08.2019, so that the dividend warrants could be sent to their Bank A/c / present address. Members are also advised to intimate the details of their bank account to enable electronic remittance of dividend warrants. This would help to avoid fraudulent encashment of dividend warrants. In case of shareholders holding shares in physical form, all intimations for recording change of address, bank mandate, or nominations and for redress of any grievance are to be sent to Cameo Corporate Services Limited, at 'Subramanian Building', No.1, Club House Road, Chennai – 600 002 who are the Registrars and Share Transfer Agents (RTA) of the Company. In case of persons holding shares in Demat form, all such intimations should be sent to their respective Depository Participants (Dps).



Members can also submit their grievances

by e-mail direct to the Company at the following e-mail ID : **cs@sambandam.com,**
corporate@sambandam.com

- 6** The Company offers two electronic platforms for credit of dividend i.e., (a) Electronic Clearing Service (ECS) and (b) National Electronic Clearing System (NECS). The advantages of NECS over ECS include faster credit of remittances to beneficiary's account and coverage of more bank branches. NECS operates on the unique bank account number (having not less than 10 digits) allotted by banks after implementation of the Core Banking Solutions (CBS).

The NECS compliant account number is required to be intimated to your Depository Participant (in case your shares are in Demat mode) or to the Company's RTA, M/s Cameo Corporate Services Limited, (in case your shares are in physical mode) for effecting the dividend payment direct to your bank account through the NECS mode. All such intimations, with a cheque leaf of that Bank A/c have to be done before 04.08.2019. Members are encouraged to use the electronic platforms for receiving dividends.

- 7** As per the SEBI Regulations, a person holding the Company's shares / acquiring the Company's shares (voting rights) exceeding 5% of the paid up share capital (Two lakh thirteen thousand two hundred and thirty equity shares of the Company together with their existing holdings) shall inform the Company within 2 working days of acquisition of the Company's shares before sending the share transfer documents to Cameo Corporate Services Ltd., for registering the shares in their name. Similarly persons already holding 5% or more (Two lakh thirteen thousand two hundred and thirty equity shares) of the Company shall inform the Company if they sell or transfer any of their shares within 2 working days of sale of their shares.
- 8** As per the provisions of the Companies Act, facility for making nomination is available to individuals holding shares in the Company. The prescribed nomination form can be obtained from the RTA / Depository Participants.
- 9** As per the provisions of Section 125 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India.

Pursuant to the provisions of the Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 11th August 2018 (date of last AGM) on the website of the Company (www.sambandam.com). Shareholders can ascertain the status of their unclaimed amounts from these websites, and write to the Company immediately to claim that amount.

- 10** 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 (DEMAT) 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 copy of their PAN card to the RTA, Cameo Corporate Services Limited, at 'Subramanian Building', No.1, Club House Road, Chennai-600 002
- 11** Additional information in respect of the Director seeking reappointment at the AGM is furnished here under which forms part of the Notice.
- 12** 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.
- 13.** Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amended Rules 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the Company is pleased to offer Electronic Voting (e-voting) facility to the members to cast their votes electronically on all Resolutions set forth in the Notice convening the 45th AGM. The Company has engaged the services of Central Depository Securities Limited (CDSL) for this purpose.


Instructions for members for e-voting :-

- (i) THE CUT OFF DATE FOR THE PURPOSE OF E-VOTING HAS BEEN FIXED AS SUNDAY, 4th AUGUST 2019. MEMBERS HOLDING SHARES AS ON THIS CUT OFF DATE SHOULD ENDEAVOUR TO CAST THEIR VOTES IN ANY ONE OF THE TWO MODES.
- (ii) IN CASE A SHAREHOLDER BY INADVERTANCE OR OTHERWISE HAS VOTED UNDER MORE THAN ONE OPTION, HIS VOTING ONLY BY ONE MODE THROUGH REMOTE E-VOTING, OR VOTING AT THE MEETING WILL BE CONSIDERED IN THAT SERIATIM.
- (iii) VOTING RIGHTS OF SHAREHOLDERS SHALL BE IN PROPORTION TO THEIR SHAREHOLDINGS IN THE COMPANY AS ON THE CUT OFF DATE i.e. 4th AUGUST 2019
- (iv) CS B.KALYANASUNDARAM (MEMBERSHIP NO.672) OF M/S. B.K.SUNDARAM & ASSOCIATES PRACTISING COMPANY SECRETARIES has been appointed as SCRUTINIZER to scrutinize the e-voting process in a fair and transparent manner. Result of the voting on all resolutions will be declared within two days after the AGM. The results declared along with the Scrutinizer's Report will be available on the Company's Website within three (3) days of passing of the Resolutions at the AGM of the Company and the results will also be communicated to the Bombay Stock Exchange.
- (v) The Scrutinizer will ascertain the result after the conclusion of voting at the AGM by the following Process:
 - a) First count/record the votes cast at the meeting by polling paper;
 - b) Then count/record the votes cast through postal ballot;
 - c) Thereafter unblock the votes cast through e-Voting;
 - d) All the above will be done in the presence of two witnesses not in the employment of the Company.
 - e) Prepare a consolidated Scrutinizer's Report (integrating the votes cast at the meeting, by postal ballot and e-Voting) of the total votes cast in favour or against, if any, and submit it to the Chairman.
 - f) The Scrutinizer's Report as above would be made soon after the conclusion of AGM and in any event not later than three days from the conclusion of the Meeting.
- (vi) Voting Results
 - a) The Chairman or a person authorized by him will declare the result of the voting based on the Scrutinizer's Report.
 - b) The results declared along with the Scrutinizer's Report will be placed on the Company's website www.sambandam.com immediately after the result is declared and also communicated to BSE.
 - c) Subject to receipt of requisite number of votes, the Resolution shall be deemed to be passed on the date of the AGM.

The e-voting period begins at 9.15 a.m. on 07.08.2019 and ends at 5.00 p.m. on 10.08.2019. This period is called 'remote e-voting period'. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form as on the cut-off date ie, 04.08.2019 may cast their vote electronically. At the end of this period, the remote e-voting facility will be disabled by CDSL

- 14** Notice of the AGM along with the Annual Report is being sent to the shareholders whose names appear in the Register of Members as on 06.07.2019. Those who acquire the Company's shares subsequently and continue to hold the shares till the cut off date i.e. 04.08.2019 may contact the RTA, Cameo Corporate Services to obtain their pass word for casting their vote by e-voting. AGM Notice with the Ballot paper, Proxy Form, Attendance Slip and the Annual Report will be uploaded in the Company's Website www.sambandam.com. Print out of the ballot paper, Proxy Form and Attendance Slip can be taken and used by the shareholders entitled to vote at the AGM stating their Folio No., Client ID and shareholding details.
- 15** For e-voting, (a) Log on to the e-voting website www.evotingindia.com, Click on 'Shareholders' tab; Select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"; (b) 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 as displayed and Click on Login. If you are holding shares in Demat form and have already done e-voting of any Company, then your existing password can be used.



If you are a first time user follow the steps given below.
Fill up the following details in the appropriate boxes:

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/ Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. The eight digit S.L.No. printed on your address slip posted on the Annual Report envelope is the sequence number for this purpose.</p> <p>Example : If your name is Ramesh with S.L.No.00003615 then enter RA.00003615 in the 'PAN field'. If the name is V.K.Mohan, with S.L.No.00000015 enter VK00000015 in the PAN field.</p>
Date of Birth (DOB)	<p>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.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio.</p> <p>* Enter the DOB or Dividend Bank details in order to login. If the details are not recorded with the Company enter the user ID (folio number) in the Dividend Bank details field as mentioned in instruction 15 above.</p>

After entering these details appropriately, click on "SUBMIT" tab.

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 enter their login password in the new password field. Kindly note that this password is also to be 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.

Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- a) On the voting page, you will see Resolution Description and against each Resolution, 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.
- b) Click on the "Resolutions File Link" if you wish to view the entire Resolutions
- c) 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.
- d) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- e) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- f) 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.
- g) 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.
- h) 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. 1 to sl. no. 15 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.

16 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.**

- 17 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.**
- 18 **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.
- 19 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.
- 20 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.
- 21 The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.sambandam.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.
- 22 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.
- 23 Proxy and Attendance Slips are enclosed in Page No. 151

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FOR ITEMS No.5 to 9

Item APPOINTMENT OF NON EXECUTIVE INDEPENDENT DIRECTOR MRS. ANNAPOORANI VENUGOPALAN

No.5 Mrs. Annapoorani Venugopalan was appointed as additional director in the Board meeting held on 11.11.2018 to hold office upto this 45th Annual General Meeting of the Company.

Nomination and Remuneration Committee at its meeting held on 26th May, 2019 had recommended her appointment as A Non-Executive Independent Director, not liable to retire by rotation to hold office for a period of five years w.e.f. 11.08.2019 to 10.08.2024 as the Director needs to be appointed by the shareholders pursuant to sec. 152 of the companies act, 2013 the agenda item is placed before the shareholders for passing an ordinary resolution as set out in the meeting notice.

Details of the director as required under regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the annexure.

Except the director to whom the respective resolution relates, no other director or Key Managerial Personnel or their relatives are concerned or interested in the resolutions



Item RE-APPOINTMENT OF SRI S. GNANASEKHARAN AS A NON-EXECUTIVE INDEPENDENT DIRECTOR

No.6 Sri S. Gnanasekharan was appointed as a Non- Executive Independent Director of the Company by the members at the 40th AGM of the Company held on 28th September, 2014 for a period of five consecutive years commencing from the date of 40th AGM of the Company till the conclusion of the 45th 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 45th 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 though he had crossed 75 years in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 Regulation 17 of 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 as set out in the meeting notice.

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.

Accordingly, the Board recommends passing of this Special Resolution by the shareholders as set out under Item No: 6 of the Notice.

Details of the director as required under regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the annexure.

Except the director to whom the respective resolution relates, no other director or Key Managerial Personnel or their relatives are concerned or interested in the resolutions

Item RE-APPOINTMENT OF SRI KAMESHWAR M. BHAT AS A NON-EXECUTIVE INDEPENDENT DIRECTOR

No.7 Sri Kameshwar M. Bhat was appointed as a Non- Executive Independent Director of the Company by the members at the 40th AGM of the Company held on 28th September, 2014 for a period of five consecutive years commencing from the date of 40th AGM of the Company till the conclusion of the 45th 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 Regulation 17 of 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 effective as set out in the meeting notice.

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.

Accordingly, the Board recommends passing of this Special Resolution by the shareholders as set out under Item No: 7 of the Notice.

Details of the director as required under regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the annexure.

Except the director to whom the respective resolution relates, no other director or Key Managerial Personnel or their relatives are concerned or interested in the resolutions.

Item RATIFICATION OF THE REMUNERATION PAYABLE TO COST AUDITORS

No.8 The Board of directors at their meeting held on 26.05.2019 had reappointed M/s.K.M.Krishnamurthy & Co., (Firm Reg No 102198 Cost Accountants for audit of cost accounts relating to the Spinning Division on payment of remuneration of Rs.75,000 and for audit of cost accounts relating to the Wind Mill Division of the Company on payment of Rs.25,000/- aggregating to Rs 1,00,000/- (Rupees one lakh only) excluding out of pocket expenses and service tax for the financial year 2019-20 . Board of directors has accepted the recommendation of the Audit committee and approved their appointment. As per the provisions of Section 148 of the Companies Act 2013 and Rule 14 of the Companies (Audit and Auditors) Rules 2014, remuneration payable to the cost auditor as approved by the Board of directors of the Company is to be ratified by the shareholders. Hence the subject is placed before the shareholders for passing an ordinary resolution. None of the directors or the key managerial personnel or their relatives is interested in the resolution

Item ACCEPTANCE OF FIXED DEPOSITS FROM MEMBERS OF THE COMPANY

No.9 Section 73(2) of the Companies Act 2013 prescribes that approval of the members by passing a resolution at the General Meeting is required for the Board of Directors to accept fixed deposits from the shareholders of the Company. However, the relevant rules require certain procedure to be followed by the Company before accepting fixed deposits from the members. After securing the approval of members at the AGM, board will decide about the timing for accepting fixed deposits from the members after complying with the prescribed procedure in this regard. Board of directors commends the resolution for members' approval by passing an ordinary resolution. None of the directors, Key Managerial Personnel or their relatives is interested or concerned in the resolution



Details of Director seeking appointment / re-appointment

Name of the Director	Sri D. Sudharsan	Sri S. Gnanasekharan	Sri Kameshwar M. Bhat	Smt V. Annapoorani
DIN	00018546	06796817	06951906	08276668
Date of birth	15-02-1975	29-05-1938	21-07-1964	02-06-1955
Date of Appointment	23-06-1995	14-02-2014	28-09-2014	11-11-2018
Qualification	D.T.T. (Diploma in Textile Technology)	FCS - Fellow Member of ICSI	M.sc (Agri). CAIIB, PGDM	B.Sc and Junior associate of Indian Institute of bankers
Expertise in Specific Functional areas	He has twenty six years of experience in Spinning Mills as Director of the Company	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.	She has served as a director on the boards of ten companies across textile, food processing, cement, electrical machinery and sugar processing industries during her tenure in IFCI
Directorship in other Companies	1. Sambandam Siva Textiles Private Limited, Salem 2. SPMM Health Care Services Private Limited, Salem	1. Non-Executive Independent Director in Kandagiri Spinning Mills Limited (SSML) 2. Director in Annai Infra Developers Limited	1. Non-Executive Independent Director in Kandagiri Spinning Mills Limited (SSML) 2. Partner, KMB Associates, LLP	NIL
Committee Membership in other Companies	NIL	<u>Holds following Committee Membership in KSML</u> 1. Audit Committee—Chairman 2. Nomination and Remuneration Committee Member 3. Stakeholders Relationship Committee - Chairman	<u>Holds following Committee Membership in KSML</u> 1. Audit Committee – Member 2. Nomination and Remuneration Committee – Chairman	NIL
No. of shares in the Company	88760	NIL	NIL	NIL
Inter-se relationship with any other directors	He is related to the CMD (Chairman and Managing Director) of the Company	NIL	NIL	NIL
Number of Board meetings attended during the FY 2018-19	Attended three 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	Attended two out of two Board Meeting held during the year



Name of the Director	Sri D. Sudharsan	Sri S. Gnanasekharan	Sri Kameshwar M. Bhat	Smt V. Annapoorani
Terms and conditions of reappointment	Reappointment of Sri D. Sudharsan 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 effective 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 effective from 11.08.2019 to 10.08.2024	Appointed as Non Executive Independent Director, not liable to retire by rotation and to hold office for one term of five consecutive years effective from 11.08.2019 to 10.08.2024
Remuneration last drawn	For Board Meeting : Rs. 25000/- per meeting	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. 40000/- per meeting (ii) For Nomination and Remuneration Committee Meeting : Rs. 25000/- per meeting (iii) For Board Meeting : Rs. 25000/- 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. 40000/- per meeting (ii) For Nomination and Remuneration Committee Meeting : Rs. 25000/- per meeting (iii) For Board Meeting : Rs. 25000/- per meeting	For Board Meeting : Rs. 25000/- per meeting
Remuneration sought to be paid	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.	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.

DECLARATION :

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.

For and on behalf of the Board of
Sambandam Spinning Mills Limited
S. Natarajan
 Company Secretary

Place : Salem
 Date : May 26, 2019

/TEXT OF NEWSPAPER PUBLICATION/

SAMBANDAM SPINNING MILLS LIMITED

Corporate Identity Number (CIN): L17111TZ1973PLC000675

Registered Office: POST BOX NO.1, KAMARAJ NAGAR COLONY - SALEM – 636 014

Tel: 0427 2240790 Fax: 0427 2240169

Email: Coporate@sambandam.com Website: www.sambandam.com

Notice is hereby given that the 45th Annual General Meeting (AGM) of the Company will be held on Sunday, **11-08-2019 at 10.45 a.m.** at the Mill Premises of Sambandam Spinning Mills Limited, Kamaraj Nagar Colony, Salem – 636 014. Notice convening the 45th 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 05-07-2019. Full text of the above documents has also been hosted in the Company's website www.sambandam.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 45th 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
18.07.2019



By order of the Board
For Sambandam Spinning Mills Limited

A handwritten signature in blue ink, appearing to be "S. Natarajan".

S.Natarajan
Company Secretary