



# Super Spinning Mills Limited

Regd. & Central Office : "Elgi Towers" PB. 7113, Green Fields, 737-D, Puliakulam Road, Coimbatore - 641 045.

9<sup>th</sup> May 2017

To

The Manager National Stock Exchange of India Limited Exchange Plaza, C-1 Block G Bandra Kurla Complex, Bandra East Mumbai – 400 051  Scrip Code :- SUPERSPIN	The Manager BSE Limited 25 <sup>th</sup> Floor, Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001  Scrip Code :- 521180
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Dear Sir,

**SUB: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

In accordance with Disclosure of events or information as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are herewith forwarding the Postal Ballot Notice and Postal Ballot Form which is to be forwarded to the shareholders of the Company for the approval of the following items.

1. Ordinary Resolution for approval of Scheme of Amalgamation of Sara Elgi Arteriors Limited (Transferor Company - 1) and Elgi Building Products Ltd (Transferor Company - 2) with Super Spinning Mills Limited (Transferee Company) pursuant to Section 230 to 232 of the Companies Act, 2013 read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30<sup>th</sup> November 2015.
2. Special Resolution under Section 14 of the Companies Act, 2013 for adoption of the new set of Articles of Association of the company by substitution of the existing Article.

We further wish to inform that we have uploaded the same on our website viz. <http://www.superspining.com/investors/>.

We request you to kindly take note of the same.

Thanking you

Yours faithfully

For Super Spinning Mills Ltd

  
Ramaa Krishnakumar  
Company Secretary





# SUPER SPINNING MILLS LIMITED

CIN: L17111TZ1962PLC001200

Regd. Off.: 'ELGI TOWERS', P.B NO: 7113, Green Fields,

Puliakulam Road, Coimbatore - 641045

Phone: 0422-2311711 Fax: 0422-2311611

Email: [investors@ssh.saraelgi.com](mailto:investors@ssh.saraelgi.com) Website: [www.superspinning.com](http://www.superspinning.com)

## POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30<sup>th</sup> November 2015]

Dear Shareholder(s),

**Notice** is hereby given pursuant to the provisions of Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules") (including any statutory modification or re-enactment thereof for the time being in force) and other applicable provisions of the Act and Rules made thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that the below mentioned Resolutions for the following purposes are proposed to be transacted/ passed by the Members through postal ballot/ e-voting:

- a. Approval of the Scheme of Amalgamation of Sara Elgi Arteriors Limited (wholly-owned subsidiary) and Elgi Building Products Limited (Step down subsidiary) with Super Spinning Mills Limited by the public shareholders only and
- b. Approval for adoption of new set of Articles of Association.

The Audit Committee and the Board of Directors of the Company, at their respective meetings held on 24<sup>th</sup> November, 2016, have approved the **Scheme of Amalgamation of Sara Elgi Arteriors Limited (Transferor Company-1) and Elgi Building Products Limited (Transferor Company-2) with Super Spinning Mills Limited (Transferee Company)** under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, (Corresponding to Section 391 to 394 of the Companies Act, 1956) including any statutory modification(s) or re-enactment thereof for the time being in force, as may be applicable, the rules and regulations made thereunder, subject to, inter alia, the approval of the public shareholders of the company and the approval of the National Company Law Tribunal, Chennai Bench and of such other authorities as may be necessary.

The National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") have, vide their letters dated 10<sup>th</sup> March 2017 and 8<sup>th</sup> March 2017 respectively, accorded their no-objection for the Scheme of Amalgamation of Sara Elgi Arteriors Limited (Transferor Company-1) and Elgi Building Products Limited (Transferor Company-2) with Super Spinning Mills Limited (Transferee Company).

In terms of SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30<sup>th</sup> November 2015, the approval of the members for the Scheme of Amalgamation is required to be obtained through Postal Ballot/ e-voting. Further, in accordance with the said Circular, the Scheme of Amalgamation shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it.

Pursuant to the provisions of Section 14 of the Companies Act, 2013, the approval of the members is required to be obtained through Postal Ballot/ e-voting for adoption of new set of Articles of Association of the company.

The Statement setting out material facts concerning the resolutions set out in Item No. 1 & 2 of the Postal Ballot Notice dated 28<sup>th</sup> April 2017 pursuant to Section 102 of the Companies Act, 2013 relating to the resolutions are annexed. Postal Ballot Notice dated 28<sup>th</sup> April 2017 is placed on the website of the Company [www.superspinning.com](http://www.superspinning.com).

You are requested to send your assent or dissent for the Resolutions within 30 days in either of the following modes:-

- (a) by filling in the necessary details in the Postal Ballot form enclosed, signing the same at the marked place and returning the same in the enclosed postage pre-paid business reply envelope; or
- (b) by E-voting through the platform provided by Central Depository Services (India) Limited (“CDSL”), the e-voting agency appointed by us for the purpose.

The Board of Directors of the Company vide their Circular Resolution passed on 28<sup>th</sup> April 2017 has appointed Mr.M.D.Selvaraj, FCS of MDS & Associates, Company Secretaries, Coimbatore as the Scrutinizer for conducting the postal ballot in a fair and transparent manner.

Members are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form duly completed in all respects in the enclosed self-addressed, postage pre-paid envelope, so as to reach the scrutinizer on or before the close of working hours at 5.00 PM on Thursday, 8<sup>th</sup> June 2017. Your assent / dissent received after 5.00 PM on Thursday, 8<sup>th</sup> June 2017 would be strictly treated as if a reply from you has not been received. The postage on the enclosed self-addressed postage pre-paid envelope shall be borne and paid by the Company.

As required under the provisions of Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is also providing e-voting facility as an alternative to postal ballot. Accordingly, instead of returning the Postal Ballot Form, members may choose to cast their vote electronically through the CDSL e-voting platform. The e-voting platform will be opened for tendering your votes from 9:00 AM on Wednesday, 10<sup>th</sup> May 2017 to 5.00 PM on Thursday, 8<sup>th</sup> June 2017. Members opting for e-voting may follow the procedure, as recommended by CDSL, which is specified along with this Notice.

The Scrutinizer shall submit his report to the Executive Chairman or the Managing Director of the Company. The result of the postal ballot shall be:

- ❖ Announced on or before the close of business hours on or before Saturday, 10<sup>th</sup> June 2017 and
- ❖ Displayed on the website of the Company and CDSL on or before Saturday 10<sup>th</sup> June 2017
- ❖ Communicated to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), the stock exchanges where the equity shares of the company are listed.

In the event, the resolutions as set out below are assented by the requisite majority of the shareholders by means of Postal Ballot, it shall be deemed to have been passed as Ordinary / Special Resolutions

at the General Meeting of the Company and it 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.

## **SPECIAL BUSINESS**

### **Item No.1: Approval of Scheme of Amalgamation**

**To consider and if thought fit, to give assent / dissent to the following Resolution to be passed as an Ordinary Resolution:**

**RESOLVED THAT** subject to the approval of the National Company Law Tribunal (NCLT), Chennai Bench or such other competent authority and subject to such approvals, permissions and sanctions of regulatory authorities under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and / or the Companies Act, 1956 read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30<sup>th</sup> November 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Scheme of Amalgamation of Sara Elgi Arteriors Limited (“Transferor Company-1”) and Elgi Building Products Limited (“Transferor Company-2”) with Super Spinning Mills Limited (“Transferee Company”), a copy of which is sent along with the postal ballot, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and any person authorised by the Board, be and is hereby authorised to take all such steps as may be necessary or desirable and do all such acts, deeds, things and matters, as may be considered necessary to give effect to the aforesaid Scheme of Amalgamation and this Resolution and to accept such alteration, modification and/or conditions, if any, which may be proposed, required or imposed by the Hon’ble National Company Law Tribunal while sanctioning the said Scheme.”

### **Item No.2: Adoption of new set of Articles of Association of the Company**

**To consider and if thought fit, to give assent / dissent to the following Resolution to be passed as a Special Resolution:**

**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) the regulations contained in the new set of Articles of Association as placed on the company’s website “<http://www.superspining.com/investors/>” be and are hereby approved and adopted as the Articles of Association of the Company in the place of, in substitution for, and to the entire exclusion of the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are hereby severally authorised to make any modifications, changes, variations, alterations or revisions stipulated by any one of the authorities, statutory or otherwise, while according approval, consent as may be considered necessary in the above resolution as may be required and to perform all such acts, deeds and things, execute documents and to file necessary Forms/ Returns/ Applications/ Documents/ Papers as are required to be filed and to take all steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution.

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

### Item No.1

The Audit Committee and the Board of Directors of the Company at their meeting held on 24<sup>th</sup> November 2016 had approved the Scheme of Amalgamation of Sara Elgi Arteriors Limited (Transferor Company-1) and Elgi Building Products Limited (Transferor Company-2) with Super Spinning Mills Limited (Transferee Company).

The National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”) have, vide their letters dated 10<sup>th</sup> March 2017 and 8<sup>th</sup> March 2017 respectively, accorded their no-objection for the Scheme of Amalgamation of Sara Elgi Arteriors Limited and Elgi Building Products Limited with Super Spinning Mills Limited.

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30<sup>th</sup> November 2015 the resolution as mentioned in Item No. 1 along with the details as required is being placed for the approval of the public shareholders.

In accordance with the said Circular, the Scheme of Amalgamation shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it.

#### I. Details of Super Spinning Mills Limited (Transferee Company):

- a. Corporate Identification Number (CIN): L17111TZ1962PLC001200
- b. Permanent Account Number (PAN) : AADCS0672G
- c. Name of the Company : Super Spinning Mills Limited
- d. Date of Incorporation : 6<sup>th</sup> June, 1962
- e. Type of Company : Listed Public Limited Company
- f. Registered Office Address & E-mail Address: : ‘ELGI TOWERS’, P.B NO: 7113, Green Fields, Puliakulam Road, Coimbatore - 641045, Tamilnadu, India  
investors@ssh.saraelgi.com
- g. Summary of main object as per the memorandum of association; and main business carried on by the company

#### Summary of main object as per the memorandum of association

1. *To carry on all or any of the following businesses, namely, cotton and fibre spinners and doublers, flax, hemp and jute spinners, linen manufacturer, flax, hemp, jute and woolen merchants, wool combers, worsted spinners, woolen spinners, cotton ginners, cotton, fibre and yarn merchants, worsted stuff manufacturers, bleachers and dyers and makers of vitriol, bleaching and dyeing materials and to purchase, gin, comb, prepare, spin, dye, and deal in kappas, cotton, flax, hemp, jute, wool, silk and other fibrous substances and to weave or otherwise manufacture, buy and sell and deal in cloth, linen and other and fabrics, whether textiles, felted, netted or looped.*

2. To carry on all or any of the businesses of silk mercers, silk weavers, cloth manufacturers, hoisers, carpet makers, importers and whole sale and retail dealers of and in textile fabrics of all kinds.
  3. To wash, clean, purify, score, bleach, dry, iron, colour, dye, disinfect, renovate and prepare for use all articles of wearing apparels, house hold, domestic and other linen, cotton fibre and woollen goods and clothing and fabrics of all kinds.
- And such other objects more fully mentioned in the Object clause of the Memorandum of Association of the Company.

**Main business carried on by the company**

The company is engaged in the business of manufacturing and dealing in cotton yarn, cotton fibre including blended cotton and other fabrics

**h. Details of change of name, registered office and objects of the company during the last five years:**

The company has not changed its name or registered office or its objects during the last five years.

**i. Name of the stock exchange (s) where securities of the company are listed, if applicable:**

The equity shares of the Transferee Company are listed on the National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”).

**j. Details of the capital structure of the company including authorised, issued, subscribed and paid up share capital:**

Particulars	Pre-amalgamation		Post-amalgamation	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Authorised Share Capital Equity Shares of ₹ 1/- each	10,00,00,000	10,00,00,000	27,50,00,000	27,50,00,000
Issued, Subscribed and Paid-up Share Capital Equity Shares of ₹ 1/- each	5,50,00,000	5,50,00,000	5,50,00,000	5,50,00,000

**k. Names of the promoters and directors along with their addresses as on 31<sup>st</sup> March 2017**

S. No.	Name of the Promoters/ Directors	Addresses
I.	<b>Promoters</b>	
1.	Sumanth R	74, Appusamy Layout, Red Fields, Coimbatore - 641018
2.	Hemalatha R	Casa Buena Vista, 74, Appasamy Layout, Red Fields, Coimbatore - 641045
3.	Sumanth R (HUF)	‘Elgi Towers’, 737D, Green Fields, Puliakulam Road, Coimbatore -641045

S. No.	Name of the Promoters/ Directors	Addresses
4.	Sanjay Krishna Ramamurthi	'Elgi Towers', 737D, Green Fields, Puliakulam Road, Coimbatore - 641045
5.	Nikhil Govind Ramamurthi	'Elgi Towers', 737D, Green Fields, Puliakulam Road, Coimbatore - 641045
6.	Ranganayaki N	62, Balasundaram Road, Coimbatore - 641018
7.	D Vidyaprakash	Old No.35, New No.34, Race Course, Coimbatore - 641018
8.	Chitra Vidyaprakash	34, Race Course, Coimbatore - 641018
9.	Indira Lakshmi Vidyaprakash	1312 Dolores Street, San Francisco - 94110
10.	Nivedita Lakshmi Narayanaswamy	45, Balasundaram Road, Coimbatore - 641018
11.	Arjun Prakash V	45, Anbarangam (Old No. 35), Kamaraj Road, Red Fields, Coimbatore - 641018
12.	N Krishnasamraj	Old No.62, Balasundaram Road, Coimbatore - 641018
13.	Ajeya Vel Narayanaswamy	No.62, Balasundaram Road, Coimbatore - 641018
14.	Elgi Electric And Industries Ltd	Elgi Towers, 737 D, Green Fields, Puliakulam Road, Coimbatore - 641045
15.	Super Farm Products (P) Ltd	Elgi Towers, 737-D, Green Fields, Puliakulam Road, Coimbatore - 641045
16.	Sanjay Krishna Ramamurthi Family Trust	'Elgi Towers', 737D, Green Fields, Puliakulam Road, Coimbatore - 641045
17.	Nikhil Govind Ramamurthi Family Trust	'Elgi Towers', 737D, Green Fields, Puliakulam Road, Coimbatore - 641045
	<b>II. Directors</b>	
1.	Sumanth Ramamurthi	74, Appusamy Layout, Red Fields, Coimbatore - 641018
2.	A S Thirumoorthy	No.133, Kumudham Nagar, Vilankuruchi Post, Coimbatore - 641035
3.	Sarath Chandran	246, ATD Street, Race Course, Coimbatore - 641018
4.	Sudarsan Varadaraj	227/1, Tea Estates, Race Course, Coimbatore - 641018
5.	B Vijayakumar	28, Kamaraj Road, Race Course, Coimbatore - 641018

S. No.	Name of the Promoters/ Directors	Addresses
6.	CSK Prabu	D. No.2, Street No.2, Subramania Puram, R S Puram, Coimbatore - 641002
7.	C G Kumar	1608, Trichy Road, Red Fields, Coimbatore - 641018
8.	Suguna Ravichandran	1993, Trichy Road, Krishna Colony, Coimbatore - 641005
9.	B Vijay Venkatasamy	Old No.49, New No.46, Race Course, Coimbatore - 641018

Post sanction of the Scheme of Amalgamation, there would be no change in the Issued, Subscribed and Paid-up Share Capital of the Transferee Company.

## II. Details of Sara Elgi Arteriors Limited (Transferor Company - 1):

- a. Corporate Identification Number (CIN): U28111TZ2003PLC010797
- b. Permanent Account Number (PAN) : AAHCS7971E
- c. Name of the Company : Sara Elgi Arteriors Limited
- d. Date of Incorporation : 16<sup>th</sup> October, 2003
- e. Type of Company : Public Limited Company
- f. Registered Office Address & E-mail Address: : 'ELGI TOWERS', 737 D, Puliakulam Road, Coimbatore - 641045, Tamilnadu, India  
investors@ssh.saraelgi.com
- g. Summary of main object as per the memorandum of association; and main business carried on by the company

### Summary of main object as per the Memorandum of Association

1. *To carry on in India or elsewhere the business to manufacture, produce, process, convert, commercialize, design, develop, display, discover, mould, remold, blow, extrude, draw, dye, equip, fitting up, fabricate, manipulate, prepare, promote, remodel, service, supervise, supply, import, export, buy, sell, turn to account and to act as agent, broker, concessionaires, consultant, collaborator, consignor, job worker, export house or otherwise to deal in all shapes, sizes, varieties, colors, capacities, modalities, specifications, descriptions and applications of systems building materials such as windows, doors, frames, profiles, novelties, substitutes, households, kitchenware, sanitary ware, toys, ropes, gift articles, cutleries, tailoring materials, writing materials, monofilaments, pipes, furniture, baggage, hardware, sheets, films, laminations etc., used in industries, trade, commerce, utilities, hospitals, transport, aviation, defence, entertainments, hotels, houses, stores, agriculture, packing, electrical and electronics and other allied fields whether made of plastics, plastic scrap, polymers, co-polymers, monomers, elastomers, resins, polyesters, and other allied materials with or without combination of other ferrous or non-ferrous materials.*



### Main business carried on by the company

The company is engaged in the business of manufacturing and dealing in doors, windows and their frames and similar articles used on buildings

#### h. Details of change of name, registered office and objects of the company during the last five years:

The company has not changed its name or registered office or its objects during the last five years.

#### i. Name of the stock exchange(s) where securities of the company are listed, if applicable:

The securities of the company are not listed on any Stock Exchange(s).

#### j. Details of the capital structure of the company including authorised, issued, subscribed and paid up share capital:

Particulars	Amount in ₹
<b>Authorised Share Capital</b> 25,00,000 Equity Shares of ₹ 10/- each	2,50,00,000
<b>Issued, Subscribed and Paid-up Share Capital</b> 25,00,000 Equity Shares of ₹ 10/- each	2,50,00,000

Sara Elgi Arteriors Limited (Transferor Company-1) is a wholly-owned subsidiary of the Transferee Company.

Post Amalgamation, the entire authorised share capital of M/s.Sara Elgi Arteriors Limited (Transferor Company-1) shall stand combined with the authorised share capital of M/s.Super Spinning Mills Limited (Transferee Company) and hence the entire paid-up share capital of Transferor Company-1 shall stand cancelled.

#### k. Names of the promoters and directors along with their addresses:

S. No.	Name of the Promoters/ Directors	Addresses
<b>I.</b>	<b>Promoters</b>	
1.	Super Spinning Mills Limited	'Elgi Towers', P.B No:7113, Green Fields, Puliakulam Road, Coimbatore - 641045
<b>II.</b>	<b>Directors</b>	
1.	Hemalatha Ramamurthi	Casa Buena Vista No.74, Appasamy Layout, Red Fields, Coimbatore - 641045
2.	N Ravichandran	Old No.17, New No.107, Karaneeswarar Pagoda St, Mylapore, Chennai - 600004
3.	P Nagarajan	No.289/66, D1 V.O.C Nagar, 3 <sup>rd</sup> Street, Sirumugai, Mettupalayam - 641302

Post sanction of the Scheme of Amalgamation, the Transferor Company-1 shall stand dissolved.

### III. Details of Elgi Building Products Limited (Transferor Company - 2)

- a. Corporate Identification Number (CIN): U45201TZ1996PLC007037
- b. Permanent Account Number (PAN) : AAACE4786G
- c. Name of the Company : Elgi Building Products Limited
- d. Date of Incorporation : 15<sup>th</sup> March, 1996
- e. Type of Company : Public Limited Company
- f. Registered Office Address & E-mail Address: : 'ELGI TOWER', 737-D, Pappanaickenpalayam Road, Puliakulam, Coimbatore-641045  
Tamilnadu, India  
investors@ssh.saraelgi.com
- g. Summary of main object as per the memorandum of association; and main business carried on by the company

#### Summary of main object as per the memorandum of association

1. *To manufacture, buy, sell, export, import, deal in, assemble, fit, repair, overhaul, alter, maintain all types, kinds and varieties of equipments, appliances, components, devices and accessories of air conditioning and humidification plants, air control systems, pollution control systems, heating techniques and waste removal systems relating to and required by textile, electrical, electronic, automobile, engineering, chemical, transport, service and other industries.*
2. *To undertake turnkey project and works including designing, engineering, constructing and supplying equipment and materials for humidification, air-conditioning, heating, pollution controls and waste removal systems for all types of industrial plants and executing all types of contracts relating thereto.*
3. *To carry on in India or elsewhere the business to manufacture, produce, process, convert, commercialize, design, develop, display, discover, mould, remould, blow, extrude, draw, dye, equip, fitting up, fabricate, manipulate, prepare, promote, remodel, service, supervise, supply, import, export, buy, sell, turn to account and to act as agent, broker, concessionaires, consultant, collaborator, consignor, jobworker, export house or otherwise to deal in all shapes, sizes, varieties, colours, capacities, modalities, specifications, descriptions and applications of systems building materials such as windows, doors, frames, profiles etc., novelties, substitutes, households, kitchenware, sanitaryware, toys, ropes, gift articles, cutleries, tailoring materials, writing materials, monofilaments, pipes, furnitures, baggages, hardwares, sheets, films, lamination etc., used in industries, trade, commerce, utilities, hospitals, transport, aviation, defence, entertainments, hotels, houses, stores, agriculture, packing, electrical and electronics and other allied fields whether made of plastics, plastic scrap, HDPE, PVC, LDPE, LLDPE, polymers, co-polymers, monomers, elastomers, resins, polyesters and other allied materials with*

*or without combinations of other ferrous or non-ferrous materials and to do all incidental acts and things necessary for the attainment of above objects.*

4. *To carry on in India or elsewhere the business to manufacture, process, produce, formulate, mix, disinfect, clean, wash, dilute, dye, concentrate, compound, segregate, pack, repack, add, remove, heat, grade, design, develop, distribute, display, melt, improve, mould, blow, extrude, draw, derive, discover, fabricate, treat, work, manipulate, prepare, promote, supervise, supply, import, export, acquire, barter, store, forward, buy, sell, turn to account, market and to act as agent, broker, representative, concessionaires, consultants, collaborator, franchiser, job worker or otherwise to deal in all varieties, characteristics, descriptions, strength, applications, colours and uses of plastic goods and materials including lumps, powders, pipes, films, tubes, fibers, laminates, granules, sheets, blocks, chips, flakes, bars or other allied goods, articles and things their compounds, by-products, formulations, intermediates, ingredients, residues, mixtures and blends made of PVC, nylon, HDPE, LDPE, LLDPE, polystyrene, polymers, monomers, elastomers, resins, polyesters and other allied chemicals and to do all incidental acts and things necessary for the attainment of foregoing objects.*
5. *To carry on the business in India or elsewhere as manufacturers, producers, processors, converters, fabricators, manipulators, promoters, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, perseveres, stockers, agents, sub-agents, merchants, distributors, consignors, consultants, collaborators, jobbers, brokers, concessionaires, export house, or otherwise deal in all kinds and varieties of building materials, such as doors, windows, grills, glasses, hinges, handles, hooks, locks, curtains, door closers, binders, beadings, rubber spacers, rubber bushes and other building materials.*

*And such other objects more fully mentioned in the Object clause of the Memorandum of Association of the Company.*

#### **Main business carried on by the company**

The company is engaged in the business of manufacturing of doors, windows and window frames and all other building materials which are used in buildings

#### **h. Details of change of name, registered office and objects of the company during the last five years:**

The company has not changed its name or registered office or its objects during the last five years. However, the company was incorporated as Elgi Wiessner Air Technic Limited and subsequently, the name was changed as Elgi Building Products Limited on 15<sup>th</sup> June 1999.

#### **i. Name of the stock exchange(s) where securities of the company are listed, if applicable:**

The securities of the company are not listed on any Stock Exchange(s).

j. Details of the capital structure of the company including authorised, issued, subscribed and paid up share capital:

Particulars	Amount in ₹
<b>Authorised Share Capital is ₹ 15,00,00,000/- consisting of</b>	
75,00,000 Equity Shares of ₹ 10/- each	7,50,00,000
70,00,000 10% 8 years Non-cumulative Redeemable Preference Shares of ₹ 10/- each	7,00,00,000
5,00,000 10% 8 years Cumulative Redeemable Preference Shares of ₹ 10/- each	50,00,000
<b>Issued, Subscribed and Paid-up Share Capital is ₹ 14,69,60,000/- consisting of</b>	
71,96,000 Equity Shares of ₹ 10/- each	7,19,60,000
70,00,000 10% 8 years Non-cumulative Redeemable Preference Shares of ₹ 10/- each	7,00,00,000
5,00,000 10% 8 years Cumulative Redeemable Preference Shares of ₹ 10/- each	50,00,000

Elgi Building Products Limited (Transferor Company-2) is a subsidiary of Sara Elgi Arteriors Limited (Transferor Company-1) and a step down wholly-owned subsidiary of Super Spinning Mills Limited (Transferee Company).

Post Amalgamation, the entire authorised share capital of M/s.Elgi Building Products Limited (Transferor Company-2) shall stand combined with the authorised share capital of M/s.Super Spinning Mills Limited (Transferee Company) and hence the entire paid-up share capital of Transferor Company-2 shall stand cancelled.

k. Names of the promoters and directors along with their addresses:

S. No.	Name of the Promoters/ Directors	Addresses
<b>I.</b>	<b>Promoters</b>	
1.	Super Spinning Mills Limited	'Elgi Towers', P.B No:7113, Green Fields, Puliakulam Road, Coimbatore - 641045
2.	Sara Elgi Arteriors Limited	Elgi Towers, 737 D, Puliakulam Road, Coimbatore - 641045
<b>II.</b>	<b>Directors</b>	
1.	Ramdass Vidyasagar	Old No.21/15, New No.40, Damu Nagar, Pulikalum Road, Coimbatore - 641037
2.	R Ragupathy	7/3A, New No.10, Vidhya Nagar, Civil Aerodrome, Coimbatore - 641014
3.	A S Thirumoorthy	No.133, Kumudham Nagar, Vilankuruchi Post, Coimbatore - 641035
4.	N Ravichandran	Old No.17, New No.107, Karaneeswarar Pagoda St, Mylapore, Chennai - 600004

Post sanction of the Scheme of Amalgamation, the Transferor Company-2 shall stand dissolved.

- IV. Sara Elgi Arteriors Limited (Transferor Company - 1) is a wholly-owned subsidiary of Super Spinning Mills Limited (Transferee Company) and Elgi Building Products Limited (Transferor Company-2) is a subsidiary of Sara Elgi Arteriors Limited (Transferor Company - 1) and step down subsidiary of Super Spinning Mills Limited (Transferee Company).
- V. The Board of Directors of all the concerned Companies at their meeting held on 24<sup>th</sup> November 2016 had approved the Scheme of Amalgamation of Sara Elgi Arteriors Limited (Transferor Company-1) and Elgi Building Products Limited (Transferor Company-2) with Super Spinning Mills Limited (Transferee Company).

All the directors present at the meeting voted in favour of the resolution.

Names of directors and the details of voting on the said resolution in the Transferor Companies and Transferee Company are as follows:

Particulars	Sara Elgi Arteriors Ltd (Transferor Company-1)	Elgi Building Products Ltd (Transferor Company - 2)	Super Spinning Mills Ltd (Transferee Company)
Names of directors who voted in favour of the resolution	a. Mrs.Hemalatha Ramamurthi b. Mr.N Ravichandran c. Mr.P Nagarajan	a. Mr.Vidyasagar Ramdass b. Mr.A.S. Thirumoorthy c. Mr. R Ragupathy d. Mr.N. Ravichandran	a. Mr.Sumanth Ramamurthi b. Mr.A.S.Thirumoorthy c. Mr.Sarath Chandran d. Mr.Vijay Venkataswamy e. Mr. C S K Prabhu f. Mr.B. Vijayakumar g. Mr. C G Kumar h. Mrs.Suguna Ravichandran
Names of Directors who voted against the resolution	None	None	None
Names of Directors who did not vote or participate on the resolution	None	None	None

**VI. Explanatory statement disclosing the details of the Scheme of Amalgamation**

**a. Scheme of Amalgamation:**

The Scheme of Amalgamation between Sara Elgi Arteriors Limited and Elgi Building Products Limited with Super Spinning Mills Limited has been annexed herewith as **Annexure 1** to this Notice.

**b. Appointed date:**

The appointed date for the Scheme of Amalgamation of Sara Elgi Arteriors Limited and Elgi Building Products Limited with Super Spinning Mills Limited is 1<sup>st</sup> April 2016 or any

other date as may stipulated by the National Company Law Tribunal or any other statutory authorities.

**c. Effective Date:**

Effective Date shall be the date or last of the dates on which the certified copy of the order of the National Company Law Tribunal sanctioning this Scheme is filed with the concerned Registrar of Companies by the Transferor Companies and the Transferee Company.

**d. Share Exchange ratio and consideration:**

As the Scheme of Amalgamation proposes the amalgamation of Sara Elgi Arteriors Limited, a wholly-owned subsidiary of Super Spinning Mills Limited and Elgi Building Products Limited, a step-down subsidiary which is jointly owned by Super Spinning Mills Limited and Sara Elgi Arteriors Limited, there will be no issue of any shares to the shareholders of the transferor companies, and accordingly there is no consideration to be paid.

Upon the Scheme becoming effective, all equity and preference shares of the Transferor Companies held by the Transferor Company-1 and the Transferee Company (held either directly/indirectly or through its nominees) shall stand cancelled without any further application, act or deed. There is therefore no share exchange ratio for the Scheme.

**e. Details of Capital or Debt Restructuring:**

Not Applicable

**f. Rationale & benefits for the Scheme:**

The Scheme of Amalgamation is expected to yield the following benefits:

- (i) Enable consolidation of the business of the three companies into one entity which will facilitate in focused growth, operational efficiencies, business synergies and better supervision of the business of the group.
- (ii) Pooling of resources (including manpower, management and administration and marketing resources) of the aforesaid companies resulting in, synergies of operations and optimisation of logistics, resulting in more productive utilisation of said resources, savings in cost and operational efficiencies.
- (iii) Strengthening financial position and increased leverage capacity of the merged entity
- (iv) Concentrated management focus, improved organisational capacity, integration rationalisation and streamlining of the management structure of the merged entity, seamless implementation of policy changes at a higher level from a management perspective and shall also help enhance the efficiency and control of the entities.
- (v) Facilitating internal transfer of resources and optimum utilisation of assets

- (vi) Avoiding duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances
- (vii) Enable the creation of a platform for a new business segment and to act as a gateway for growth and expansion of business operations.

**g. Valuation Report and Fairness Opinion:**

There is no valuation report for the Scheme. As no consideration is being paid, the shareholding pattern of the Transferee Company does not change and therefore the rights of the shareholders of the Transferee Company are not affected. It is for this reason that no valuation report is required for the Scheme in terms of the SEBI Circular bearing No. CIR/CFD/CMD/16/2015 dated 30<sup>th</sup> November, 2015. The Auditors' Certificate stating that the valuation report is not required for the Scheme of Amalgamation is available for inspection at the Registered Office of the company on any working day during the normal working hours.

The Transferee Company has obtained a Fairness Opinion dated 23<sup>rd</sup> November, 2016, from D&A Financial Services Private Limited and the same is annexed as **Annexure 2** to this Notice.

The pre and post Scheme shareholding pattern of the Transferor Companies and the Transferee Company is annexed as **Annexure 3** to this Notice.

**h. Interests of Creditors:**

The Scheme would not be prejudicial to the interests of the creditors (secured and unsecured) of either of the companies. There is no likelihood that any secured or unsecured creditor of the companies would be prejudiced as a result of the Scheme being passed nor are their rights sought to be modified in any manner. Hence, the amalgamation of the Transferor Companies with the Transferee Company pursuant to the Scheme will not cast any additional burden on the shareholders or creditors of the Transferee Company, nor will it affect the interest of any of the shareholders or creditors.

**i. Amount due to creditors:**

**Sara Elgi Arteriors Limited (Transferor Company - 1):**

The Transferor Company - 1 as on 31<sup>st</sup> March 2017 has one unsecured creditor to whom an amount of ₹ 73,15,826/- is due to be paid. However, the company has no secured creditors.

**Elgi Building Products Limited (Transferor Company - 2):**

The Transferor Company - 2 as on 31<sup>st</sup> March 2017 has no secured or unsecured creditors.

**Super Spinning Mills Limited (Transferee Company):**

Based on the provisional financial statements as on 31<sup>st</sup> March 2017, the Transferee Company has 5 secured creditors to whom an amount of ₹ 8553.30 lacs is due to be paid and 412 unsecured creditors to whom an amount of ₹ 4596.54 lacs is due.

## **VII. Disclosure about the effect of the Scheme of Amalgamation on:**

### **(a) Key Managerial Personnel:**

The Key Managerial Personnel of the Transferor and Transferee Companies and / or their relatives are not in any manner interested in the Scheme.

### **(b) Directors:**

The Directors of the Transferor and Transferee Companies and / or their relatives are not in any manner interested in the Scheme.

### **(c) Promoters:**

The Promoters of the Transferor and Transferee Companies are not in any manner interested in the Scheme.

### **(d) Non-promoter members:**

The Non-promoter members of the Transferor and Transferee Companies are not in any manner interested in the Scheme, and will not be adversely affected by the same.

### **(e) Depositors:**

The Transferor Companies and Transferee Company have not accepted any deposits and hence disclosure as to effect of the scheme on the depositors does not arise.

### **(f) Creditors:**

The Scheme would not be prejudicial to the interests of the creditors (secured and unsecured) of any of the companies. There is no likelihood that any secured or unsecured creditor of the companies would be prejudiced as a result of the Scheme being passed nor are their rights sought to be modified in any manner. Hence, the amalgamation of the Transferor Companies with the Transferee Company pursuant to the Scheme will not cast any additional burden on the creditors of the Transferee Company, nor will it affect the interest of any of the creditors.

### **(g) Debenture Holders:**

The Transferor Companies and the Transferee Company have not issued any debentures and hence disclosure as to effect of the scheme on the debenture holders does not arise.

### **(h) Deposit Trustee & Debenture Trustee**

The Transferor Companies and the Transferee Company have no deposit trustees or debenture trustees and hence the disclosure as to effect of the scheme on them does not arise.

### **(i) Employees:**

All the employees of the Transferor Companies in service on the Effective Date shall, on and from the Effective Date, become the employees of the Transferee Company on terms and conditions not less favourable as applicable to them.



### **VIII. Disclosure about effect of the Scheme of Amalgamation on material interests of Directors, Key Managerial Persons and Debenture trustees:**

The Scheme does not have any effect on the material interests of the Directors or Key Managerial Personnel of the Company except to the extent of their Shareholding in the respective companies.

The Transferor or Transferee Companies have not issued any debentures and hence the effect of the Scheme of Amalgamation on the interests of the debenture trustees does not arise.

### **IX. Investigation or proceedings, if any, pending against the company under the Act:**

No investigation proceedings have been instituted or are pending in relation to the Transferor and Transferee Companies under the Companies Act, 1956/ 2013.

### **X. Details of Approval from regulatory authorities**

- a. As required by the SEBI Circular, the Transferee Company has filed the Complaints Report with BSE Limited and National Stock Exchange of India Limited, on 16<sup>th</sup> February 2017. After filing of the Complaints Reports the Transferee Company has received NIL complaints. A copy of the aforementioned Complaints Report is enclosed as **Annexure 4** to this Notice.
- b. Pursuant to the SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30<sup>th</sup> November 2015 read with Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Transferee Company had filed necessary applications before the stock exchanges viz., BSE Limited and National Stock Exchange of India Limited, seeking its no-objection to the Scheme. The Company has received Observation Letters from BSE Limited and National Stock Exchange of India Limited, dated 8<sup>th</sup> March 2017 and 10<sup>th</sup> March 2017 respectively. Copies of the Observation Letters are enclosed as **Annexures 5 and 6**, to this Notice.
- c. A copy of the Scheme of Amalgamation is also being forwarded to the Registrar of Companies, Regional Director, Income Tax Authorities, Official Liquidators and such other authorities as stipulated in terms of the Order dated 18<sup>th</sup> April, 2017 of the National Company Law Tribunal, Chennai Bench.
- d. Upon approval of the members of the company through Postal Ballot/e-voting, a petition will be made to the National Company Law Tribunal, Chennai Bench for sanctioning the Scheme of Amalgamation of the Transferor Companies with the Transferee Company pursuant to Section 230 to 232 of the Companies Act, 2013.

### **XI. Documents available for Inspection by the shareholders and creditors:**

The following documents will be open for inspection at the Registered Office of the Transferor Companies and Transferee Company, on all working days upto the date of declaration of results of postal ballot/e-voting:

- a. Certified copy of the order dated 18<sup>th</sup> April, 2017, passed by the National Company Law Tribunal, Chennai Bench in CAA No. 27 and 28 of 2017;

- b. Copies of the Memorandum and Articles of Association of the respective Transferee and the Transferor Companies;
- c. Copies of the annual reports for the last three financial years (i.e. 31<sup>st</sup> March, 2016, 31<sup>st</sup> March, 2015 and 31<sup>st</sup> March, 2014) of the respective Transferor and the Transferee Companies;
- d. Copies of the unaudited financial statements of the Transferee Company for the period ended 30<sup>th</sup> September, 2016 and audited financial statements of the respective Transferor Companies for the period ended 30<sup>th</sup> September, 2016
- e. Copy of the Scheme of Amalgamation
- f. Contracts or agreements material to the Scheme of Amalgamation
- g. Register of directors' shareholding of the respective Transferor Companies and the Transferee Companies;
- h. the certificate issued by Auditor of the Transferee Company to the effect that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013; and
- i. such other information or documents as the Board or Management believes necessary and relevant for making decision for or against the Scheme.

XII. The public shareholders may vote through Postal Ballot or by electronic means, as provided for in this Notice.

Except to the extent of their Shareholding in the Transferor Companies and Transferee Company, none of the Directors and Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No.1 of the Notice.

## **Item No. 2**

The existing regulations of the Articles of Association of the company were framed based on the provisions contained in the Companies Act, 1956. However, with the commencement of the Companies Act, 2013, most of the regulations contained in the existing Articles of Association of the Company are not in line with the provisions of the Companies Act, 2013.

Therefore the Board of Directors of the Company vide their Circular Resolution passed on 28<sup>th</sup> April 2017 has approved the proposal of replacement of the existing Regulations of the Articles of Association with a new set of Regulations which are in line with the provisions of the Companies Act, 2013.

Further, pursuant to Section 14 of the Companies Act, 2013, alteration of the Articles of Association of the company requires the approval of the members by a special resolution.

The Board recommends the Special Resolution for your approval through Postal Ballot / e-voting.

A copy of the draft Articles of Association of the Company is available in the website of the Company and can be viewed by the members through the web-link "<http://www.superspinning.com/investors/>". Both the existing and the new set of Articles of Association of the Company are available for inspection at the registered office of the company during business hours on any working day up to the date of declaration of results of the Postal Ballot/ e-voting.

None of the Directors and Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No.2 of the Notice.

By Order of the Board

For Super Spinning Mills Limited

(SD) Ramaa Krishnakumar

Company Secretary

Place : Coimbatore

Date : 28th April, 2017

**Notes:**

1. The Board of Directors of the Company has appointed Mr.M.D.Selvaraj, FCS of MDS & Associates, Company Secretaries, Coimbatore as the Scrutinizer for conducting the postal ballot in a fair and transparent manner.
2. The approval of the shareholders is being sought through the Postal Ballot, as required under Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for which a separate Ballot paper is circulated to the members along with this notice.
3. **Voting period commences from 9:00 AM on Wednesday, 10<sup>th</sup> May 2017 and ends at 5.00 PM on Thursday, 8<sup>th</sup> June 2017 for the members exercising their voting either by Postal Ballot or through E-voting within 30 days from date of dispatch of the notice.**
4. The Notice is being sent to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (“NSDL”)/ Central Depository Services (India) Limited (“CDSL”) as on 5<sup>th</sup> May 2017 (cut-off date).
5. The members whose names appear in the Register of Members/ Record of Depositories as on Friday, 5<sup>th</sup> May 2017 will only be considered for voting.
6. Members have the option either to vote through the E-voting process or through the Postal Ballot Form. Members who have received the Postal Ballot Notice by email and who wish to vote through Postal Ballot Form can download Postal Ballot Form from the Company’s website [www.superspinning.com](http://www.superspinning.com)
7. You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed with the Assent (For) Dissent (Against) in the attached Business Reply envelope so as to reach the Scrutinizer on or before 5:00 PM on Thursday, 8<sup>th</sup> June 2017 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the member. Hence the members are requested to send the duly completed Postal Ballot Form well before Thursday, 8<sup>th</sup> June 2017, providing sufficient time for postal transit.
8. The result of the Postal Ballot shall be announced on or before 5:00 PM on Saturday 10<sup>th</sup> June 2017 at the registered office of the Company and shall also be displayed on the Company’s website [www.superspinning.com](http://www.superspinning.com), on the website of CDSL and will also be communicated to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), the stock exchanges where the equity shares of the company are listed.

9. The Postal Ballot Form and self-addressed, pre-paid postage envelopes are enclosed for use of the shareholders and it bears the address to which the duly completed Postal ballot Forms are to be sent. The facility of voting by electronic means is being provided by Central Depository Services (India) Limited ('CDSL') for which the required procedure is incorporated in the Postal Ballot Notice.
10. The Postal Ballot Notice and Form have been placed on Company's website [www.superspinning.com](http://www.superspinning.com) and CDSL e-voting website [www.evotingindia.com](http://www.evotingindia.com) and will remain on such website until the last date of receipt of the Postal Ballot from members.
11. The voting rights of members shall be in proportion to their share of the paid up equity share capital of the company as on 5<sup>th</sup> May 2017

## **INSTRUCTIONS FOR VOTING:**

### **A. VOTING THROUGH POSTAL BALLOT FORM**

Instructions regarding voting through Postal Ballot Form have been given on the reverse side of the Postal Ballot Form

### **B. REMOTE E-VOTING FACILITY**

Pursuant to Section 110 of the Companies Act, 2013 and applicable rules made there under, the Company is pleased to offer e-voting facility for the members to enable them to cast their votes electronically. For this purpose, the Company has signed an agreement with the Central Depository Services (India) Limited ("CDSL") for facilitating e-voting. Members have option to vote either through e-voting or through the Postal Ballot Form. If a member has opted for e-voting, then he/she should not vote by Postal Ballot also and vice-versa. However, in case members cast their vote both via physical ballot and e-voting, then voting through e-voting shall prevail and voting done by physical ballot shall be treated as invalid.

**The instructions for members for voting electronically are as under:-**

- i. The voting period begins on Wednesday, 10<sup>th</sup> May 2017 at 9.00 A.M. and ends on Thursday, 8<sup>th</sup> June 2017 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 5<sup>th</sup> May 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii. Click on Shareholders.
- iv. Now Enter your User ID
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.

- vi. 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.
- vii. If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot form indicated in the PAN field.</li> </ul>
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. <ul style="list-style-type: none"> <li>● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- viii. After entering these details appropriately, click on “SUBMIT” tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for ‘Super Spinning Mills Limited’.
- xii. 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.
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. 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.

- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take printout of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii. If Demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

The Scrutinizer will submit his report after completion of scrutiny, on or before Saturday, 10<sup>th</sup> June 2017. The Executive Chairman or the Managing Director will announce the results of the voting by Postal Ballot on or before 5.00 PM on Saturday, 10<sup>th</sup> June 2017 at the Registered Office of the Company.

**Enclosure:**

1. Postal Ballot Form
2. Postage prepaid envelope

**SCHEME OF AMALGAMATION  
OF  
SARA ELGI ARTERIORS LIMITED  
AND  
ELGI BUILDING PRODUCTS LIMITED  
WITH  
SUPER SPINNING MILLS LIMITED  
(Under Sections 391 to 394 of the Companies Act 1956 /  
Sections 230 to 232 of the Companies Act 2013)**

**PREAMBLE & RATIONALE TO THE SCHEME**

- (A) **SARA ELGI ARTERIORS LIMITED - CIN: U28111TZ2003PLC010797** (hereinafter referred to as “Transferor Company 1”) was incorporated on the 16<sup>th</sup> day of October, 2003 under the Companies Act, 1956, in the State of Tamil Nadu. The registered office of the Transferor Company (1) is situated at Elgi Towers, 737D, Puliakulam Road, Coimbatore - 641045, Tamil Nadu, India. The Transferor Company (1) is engaged in the business of manufacturing and dealing in doors, windows and their frames and similar articles used on buildings (hereinafter referred to as the “**Business of the Transferor Company (1)**”). The entire issued, subscribed and paid-up share capital of the Transferor Company (1) is held by “Super Spinning Mills Limited”, the Transferee Company, in its own name and jointly with its nominees. Hence, the Transferor Company (1) is a wholly-owned subsidiary of the Transferee Company.
- (B) **ELGI BUILDING PRODUCTS LIMITED - CIN: U45201TZ1996PLC007037** (hereinafter referred to as “Transferor Company 2”) was incorporated on the 15<sup>th</sup> day of March, 1996 under the Companies Act, 1956, in the State of Tamil Nadu under the name and style of ELGI WIESSNER AIR TECHNIC LIMITED. Subsequently, the name was changed as ELGI BUILDING PRODUCTS LIMITED on 15<sup>th</sup> June 1999. The registered office of the Transferor Company (2) is situated at Elgi Tower, 737- D, Pappanaickenpalayam Road, Puliakulam, Coimbatore - 641045, Tamil Nadu, India. The Transferor Company (2) is engaged in the business of manufacturing of doors, windows and window frames and all other building materials which are used in buildings (hereinafter referred to as the “**Business of the Transferor Company (2)**”). The issued, subscribed and paid-up share capital of the Transferor Company (2) is held by “Sara Elgi Arteriors Limited” and “Super Spinning Mills Limited” as follows.

S. No.	Name of Shareholder	Number of Shares held	Percentage of Shares held
1.	<b>Equity Shares of Rs.10/- each</b> Sara Elgi Arteriors Limited (Including Beneficial Interest of shares held by its nominees)	41,96,408	58.32
2.	Super Spinning Mills Limited	29,99,592	41.68

S. No.	Name of Shareholder	Number of Shares held	Percentage of Shares held
	<b>10% 8 years Non-cumulative Redeemable Preference Shares of Rs.10/- each</b> Super Spinning Mills Limited	70,00,000	100.00
	<b>10% 8 years Cumulative Redeemable Preference Shares of Rs.10/- each</b> Super Spinning Mills Limited	5,00,000	100.00
	<b>Total</b>	<b>1,46,96,000</b>	<b>-</b>

Hence, the Transferor Company (2) is a subsidiary of Transferor Company (1) and a step down subsidiary of Transferee Company.

- (C) **SUPER SPINNING MILLS LIMITED - CIN: L17111TZ1962PLC001200** (hereinafter referred to as “Transferee Company”), was incorporated on 6<sup>th</sup> day of June, 1962 under the Companies Act, 1956, in the State of Andhra Pradesh and obtained the certificate of commencement of business on 23<sup>rd</sup> July, 1962. Subsequently, the registered office of the company was shifted from the State of Andhra Pradesh to its present address situated in the State of Tamil Nadu at ‘Elgi Towers’, P.B No: 7113, Green Fields, Puliakulam Road, Coimbatore - 641045, Tamil Nadu, India. The equity shares of the Transferee Company are listed on the National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”). The Transferee Company is engaged in the business of manufacturing and dealing in cotton yarn, cotton fiber including blended cotton and other fabrics (hereinafter referred to as the “**Business of the Transferee Company**”). The Transferee Company is the holding company of the Transferor Company (1) & the ultimate holding company of Transferor Company (2).
- (D) The Scheme of Amalgamation of Transferor Company 1 and Transferor Company 2 with the Transferee Company has been formulated and presented under section 391 to 394 of the Companies Act, 1956. Upon the relevant sections of the Companies Act, 2013 pertaining to schemes of arrangement, compromise or reconstruction of companies being notified by the Ministry of Corporate Affairs (“MCA”), the Scheme of Amalgamation (as defined hereinafter) shall be deemed to have been formulated and presented under sections 230 to 240 of the Companies Act, 2013. Reference to any provisions of the Companies Act 1956, if any, under the Scheme would be deemed to be references to the corresponding provisions of the Companies Act, 2013.
- (E) The Scheme of Amalgamation of Transferor Company 1 and Transferor Company 2 with the Transferee Company is in compliance with the norms laid down under Section 2 (1B) of the Income Tax Act, 1961.
- (F) The Scheme of Amalgamation is expected to yield the following benefits :
- (i) Enable consolidation of the business of the three companies into one entity which will facilitate in focused growth, operational efficiencies, business synergies and better supervision of the business of the group.



- (ii) Pooling of resources (including manpower, management and administration and marketing resources) of the aforesaid companies resulting in, synergies of operations and optimisation of logistics, resulting in more productive utilisation of said resources, savings in cost and operational efficiencies.
- (iii) Strengthening financial position and increased leverage capacity of the merged entity
- (iv) Concentrated management focus, improved organisational capacity, integration rationalisation and streamlining of the management structure of the merged entity, seamless implementation of policy changes at a higher level from a management perspective and shall also help enhance the efficiency and control of the entities.
- (v) Facilitating internal transfer of resources and optimum utilisation of assets
- (vi) Avoiding duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances
- (vii) Enable the creation of a platform for a new business segment and to act as a gateway for growth and expansion of business operations.

## PART I - GENERAL

### 1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following shall have the meanings as provided herein:

- 1.1 **“Act”** means the Companies Act, 1956 and/or the Companies Act, 2013 as in force from time to time; it being clarified that as on the date of approval of this Scheme by the Boards of Directors of the Transferor Company and the Transferee Company, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. Accordingly, references in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall, unless a different intention appears, be construed as references to the provisions so re-enacted.
- 1.2 **“Appointed Date”** means the date from which this Scheme shall become operative viz., 1<sup>st</sup> April 2016 or any other date as may be stipulated by the Court.
- 1.3 **“Board”** or **“Board of Directors”** means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors;
- 1.4 **“Court”** means the Hon’ble High Court of Judicature at Madras as per the provisions of the Companies Act, 1956 or such other Tribunal (i.e.) the National Company Law Tribunal (**“NCLT”**) & the National Company Law Appellate Tribunal (**“NCLAT”**) as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under section 230 to 240 of the Companies Act, 2013.

- 1.5 **“Effective Date”** means the date or last of the dates on which the certified copy of the order of the Court sanctioning this Scheme is filed with the concerned Registrar of Companies by the Transferor Companies and the Transferee Company.
- 1.6 **“Scheme of Amalgamation”** or **“Scheme”** or **“The Scheme”** or **“This Scheme”** means this Scheme of Amalgamation in its present form or with any modification(s) approved, imposed, or directed by the Court.
- 1.7 **“Transferee Company”** means **“SUPER SPINNING MILLS LIMITED”**, a public listed company incorporated under the Companies Act, 1956 on 6<sup>th</sup> day of June, 1962 and having its registered office at ‘Elgi Towers’, P.B No: 7113, Green Fields, Puliakulam Road, Coimbatore - 641045, Tamil Nadu, India.
- 1.8 **“Transferor Company (1)”** means **“SARA ELGI ARTERIORS LIMITED”**, a company incorporated under the Companies Act, 1956 on 16<sup>th</sup> day of October, 2003 and having its registered office at Elgi Towers, 737D, Puliakulam Road, Coimbatore - 641045, Tamil Nadu, India.
- 1.9 **“Transferor Company (2)”** means **“ELGI BUILDING PRODUCTS LIMITED”**, a company incorporated under the Companies Act, 1956 on 15<sup>th</sup> day of March, 1996 and having its registered office at Elgi Tower, 737- D, Pappanaickenpalayam Road, Puliakulam, Coimbatore - 641045, Tamil Nadu, India.
- 1.10 **“Transferor Companies”** means Transferor Company (1) and Transferor Company (2) collectively.
- 1.11 **“Undertakings”** shall mean and include the whole of the undertakings of each of the Transferor Companies, as a going concern, including the entire Business of Transferor Company 1 and the entire Business of Transferor Company 2, all secured and unsecured debts, liabilities, duties and obligations and all the assets, properties, rights, titles and benefits, whether movable or immovable property real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed assets, tangible assets, deferred tax assets, movable assets, plant and machinery, furniture and fixtures, vehicles, inventories, raw material, work in progress, finished goods, trading goods, trade receivables, cash in hand and cash with banks, loans and advances receivable, advance for purchases, advance payment of taxes, deposits with statutory authorities, other deposits, current assets, non-current assets, investments, reserves, provisions, funds, licenses, registrations, accreditations to trade and industrial bodies, copyrights, patents, trade names, trademarks and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trademarks, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and

advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, turnover tax, service tax, etc.), Software Licences, Domain / Websites etc., in connection with or relating to each of the Transferor Companies and other claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by each of the Transferor Companies, as on the Appointed Date.

- 1.12 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Act and other applicable laws, rules, regulations and byelaws as the case may be, including any statutory modification or re-enactment thereof from time to time.

## 2. SHARE CAPITAL

- 2.1. The present Share Capital of Transferor Company (1) is as under

Particulars	Amount in ₹
<b>Authorised Share Capital</b>	
25,00,000 Equity Shares of ₹ 10/- each	2,50,00,000
<b>Issued, Subscribed and Paid-up Share Capital</b>	
25,00,000 Equity Shares of ₹ 10/- each	2,50,00,000

- 2.2. The present Share Capital of Transferor Company (2) is as under

Particulars	Amount in ₹
<b>Authorised Share Capital</b>	
75,00,000 Equity Shares of ₹10/- each	7,50,00,000
70,00,000 10% 8 years Redeemable Preference Shares of ₹ 10/- each	7,00,00,000
5,00,000 10% 8 years Cumulative Redeemable Preference Shares of ₹ 10/- each	50,00,000
<b>Issued, Subscribed and Paid up Share Capital</b>	
71,96,000 Equity Shares of ₹ 10/- each	7,19,60,000
70,00,000 10% 8 years Non Cumulative Redeemable Preference Shares of ₹ 10/- each	7,00,00,000
5,00,000 10% 8 years Cumulative Redeemable Preference Shares of ₹ 10/- each	50,00,000

- 2.3. The present Share Capital of the Transferee Company is as under

Particulars	Amount in ₹
<b>Authorised Share Capital</b>	
10,00,00,000 Equity Shares of ₹ 1/- each	10,00,00,000
<b>Issued, Subscribed and Paid-up Share Capital</b>	
5,50,00,000 Equity Shares of ₹ 1/- each	5,50,00,000

## PART II - TRANSFER AND VESTING

### **3. TRANSFER OF UNDERTAKINGS**

- 3.1 The entire Undertakings of each of the Transferor Companies shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:
- (a) With effect from the Appointed Date, the whole of the Undertakings of the Transferor Companies comprising their entire business, all assets and liabilities of whatsoever nature and wheresoever's situated, including the immovable properties, if any, shall, under the provisions of Section 391 read with Section 394 and all other applicable provisions, if any, of the Companies Act, 1956, without any further act or deed (save as provided in Sub-clauses (b), (c), (d) and (e) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as from the Appointed Date, the Undertakings of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Companies therein.
  - (b) With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature, description of each of the Transferor Companies, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet, including but not limited to deferred tax liabilities, loans from banks, loans from corporates, statutory liabilities, liabilities for employees cost, liabilities for expenses, advances against sales, advances from customers, expenses payable, shall also, under the provisions of Section 391 read with Section 394 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.
  - (c) The transfer and vesting of the Undertakings of the Transferor Companies as aforesaid shall be subject to the existing securities, charges and mortgages, if any subsisting, over or in respect of the property and assets or any part thereof of the respective Transferor Company.
  - (d) With effect from the Appointed Date all permits, quotas, rights, entitlements, licences (including software licences), accreditations to trade and industrial bodies, privileges, powers, facilities, subsidies, rehabilitation schemes, special status and other benefits or privileges (granted by any Government body, local authority or by any other person) of every kind and description of whatsoever nature in relation to the Transferor Companies, or to the benefit of which the Transferor Companies may be eligible, or having effect immediately before the Effective Date, shall be, and remain in, full force and effect in

favour of the Transferee Company, and may be enforced fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a beneficiary thereto.

- (e) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person and availed of by the Transferor Companies are concerned, the same shall vest with, and be available to, the Transferee Company on the same terms and conditions.
- (f) Loans or other obligations, contracts or agreements if any, between or amongst the Transferor Companies or between or amongst any Transferor Company and the Transferee Company shall stand extinguished and there shall be no liability in that behalf. In so far as any shares, securities, debentures or notes issued by any Transferor Company, and held by the Transferee Company and vice versa or issued inter se amongst the Transferor Companies are concerned, the same shall, unless sold or transferred by the said Transferor Companies or the Transferee Company, as the case may be, at any time prior to the Effective Date, stand cancelled as on the Effective Date, and shall have no effect and the Transferor Companies or the Transferee Company, as the case may be, shall have no further obligation outstanding in that behalf.
- (g) The Transferor Companies shall have taken all steps as may be necessary to ensure that vacant, lawful, peaceful and unencumbered possession, right, title, interest of immovable property, if any, is given to the Transferee Company.

#### **4. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

- 4.1 Subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements, insurance policies and other instruments of whatsoever nature to which the Transferor Companies are a party, subsisting or having effect immediately before this arrangement under this Scheme, shall be, in full force and effect, against or in favour of the Transferee Company, and may be enforced as fully and as effectively as if instead of the Transferor Companies, the Transferee Company had been a party thereto. The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmations or enter into any tripartite arrangement, confirmation or novation to which the Transferor Companies will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required or become necessary.
- 4.2 As a consequence of the amalgamation of the Transferor Companies with the Transferee Company in accordance with this Scheme, the recording of change in name from the Transferor Companies to the Transferee Company, whether for the purposes of any licence, permit, approval or any other reason, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.

#### **5. LEGAL PROCEEDINGS**

- 5.1 All suits, actions and proceedings of whatsoever nature by or against the Transferor Companies on the Appointed Date shall be transferred to the name of the Transferee

Company and the same shall be continued and enforced by or against the Transferee Company, to the exclusion of the Transferor Companies, as the case may be.

- 5.2 If proceedings are taken against any Transferor Company, in respect of matters referred to above, it shall defend the same in accordance with the advice of, and at the cost of, the Transferee Company, as the case may be from Appointed Date till Effective Date, and the latter shall reimburse and indemnify such Transferor Company, against all liabilities and obligations incurred by the said Transferor Company in respect thereof.

## **6. TRANSFEROR COMPANIES STAFF, WORKMEN AND EMPLOYEES**

- 6.1 All the executives, staff, workmen, and other employees in the service of the Transferor Companies, immediately before the Appointed Date, under this Scheme shall become the executives, staff, workmen, and other employees of the Transferee Company, on the basis that:
- a) Their services shall have been continuous and shall not have been interrupted by reason of such transfer as if such transfer is effected under Section 25FF of the Industrial Disputes Act, 1947;
  - b) The terms and conditions of service applicable to the said staff, workmen, and other employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately before the transfer;
  - c) In the event of retrenchment of such staff, workmen, or other employees, the Transferee Company shall be liable to pay compensation in accordance with law on the basis that the services of the staff, workmen, or other employees shall have been continuous and shall not have been interrupted by reason of such transfer; and
  - d) It is provided that as far as the Provident Fund, Gratuity, Pension, Superannuation Fund or any other special funds that are applicable to the employees of the Transferee Company and existing in the Transferee Company for the benefit of the staff, workmen and other employees of the Transferee Company shall also be extended to the employees of the Transferor Companies upon the Scheme becoming finally effective. The said benefits shall be extended to the employees of the Transferor Companies even if such benefits were not available to the employees during their tenure in the Transferor Companies, by virtue of non applicability of the relevant provisions to the Transferor Companies. Notwithstanding what is stated herein above in respect of applicability of Employees Provident Fund to the employees of Transferor companies with retrospective effect from a date to be determined by the Board of Directors of Transferee company the extension of benefit to the employees of Transferor companies shall be subject to the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the approvals of the authorities concerned for giving effect to the implementation date. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations, in whatsoever nature, that are available to the employees of the Transferee Company shall also be available to all the employees of the Transferor Companies in relation to Provident Fund, Gratuity and Pension and/ or Superannuation Fund or any other special fund, however subject to the provisions of the relevant and applicable statutes.

## **7. SAVING OF CONCLUDED TRANSACTIONS**

7.1 The transfer of Undertakings under Clause 3 above, the continuance of the effectiveness of contracts and deeds under Clause 4 above and legal proceedings by or against the Transferee Company under Clause 5 above shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Companies on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

## **8. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANIES TILL EFFECTIVE DATE**

With effect from the Appointed Date and up to and including the Effective Date:

8.1 The Transferor Companies shall carry on, and be deemed to have been carrying on, all business activities and shall be deemed to have been held for and on account of, and in trust for, the Transferee Company.

8.2 All profits or income or taxes, including but not limited to income tax, fringe benefit tax, advance taxes, tax deducted at source by or on behalf of the Transferor Companies, wealth tax, sales tax, value added tax, excise duty, service tax, customs duty, refund, reliefs, etc., accruing or arising to the Transferor Companies, or losses arising or expenditure incurred by them, on and from Appointed Date upto the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or the said taxes of the Transferee Company.

8.3 The Transferor Companies shall carry on their business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose off any of their business undertaking(s) or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Companies prior to the Appointed Date).

8.4 The Transferee Company shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required / granted under any law for time being in force for carrying on business by the Transferee Company.

8.5 The Transferor Companies shall continue to comply with the provisions of the Act including those relating to preparation, presentation, circulation and filing of accounts as and when they become due for compliance.

8.6 The Transferor Companies shall not make any modification to their capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or reorganisation or in any other manner,

whatsoever, except by mutual consent of the Boards of Directors of the Transferor Companies and of the Transferee Company.

- 8.7 The Transferor Companies shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company.

## **9. AUTHORISED SHARE CAPITAL**

- 9.1 Upon the Scheme becoming fully effective, the authorised share capital of the Transferor Companies shall stand combined with the authorised share capital of the Transferee Company. Filing fees and stamp duty, if any, paid by the Transferor Companies on their respective authorised share capital, shall be deemed to have been so paid by the Transferee Company on the combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fee/ stamp duty for its increased authorised share capital.

- 9.2 Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended under applicable provisions of the Act by deleting the existing Clause and replacing it by the following:

“V. The Authorised Share Capital of the Company is ₹ 27,50,00,000/- (Rupees Twenty Seven Crores and Fifty Lakhs only) divided into 27,50,00,000 (Twenty Seven Crores and Fifty Lakhs) equity shares of ₹ 1/- (Rupee One only) each with power to increase or reduce the capital and with liberty to divide the capital into several classes and to attach thereto respectively such preferential rights, privileges, or conditions in such manner as may be permitted by the Companies Act and as the company deems fit and necessary.”

- 9.3 The approval of this Scheme under Sections 391 and 394 of the Companies Act, 1956 shall be deemed to have the approval under Section 13, 14, 61 & 62 and other applicable provisions of the Companies Act 2013 and any other consents and approvals required in this regard.

## **10. CANCELLATION OF EQUITY SHARES & PREFERENCE SHARES OF THE TRANSFEROR COMPANIES / REORGANISATION OF CAPITAL**

- 10.1 The Transferor Company (1) is a wholly-owned subsidiary of the Transferee Company and Transferor Company (2) is a subsidiary of Transferor Company (1) with its entire paid-up share capital held by Transferor Company (1) and the Transferee Company.

Upon this Scheme coming into effect, the equity shares of the Transferor Company (1) held by the Transferee Company directly and/or through its nominee(s), constituting the entire paid up share capital of the Transferor Company (1) will stand cancelled and the equity and preference shares of Transferor Company (2) held by Transferor Company (1) and the Transferee Company, as mentioned above, directly and/or through its nominee(s), constituting the entire paid-up share capital of the Transferor Company (2) will stand cancelled.



Accordingly, there would be no issue of shares of the Transferee Company to the shareholders (including those holding the shares as nominees of the Transferee Company) of the Transferor Companies.

## **11. ACCOUNTING TREATMENT**

Upon the Scheme becoming effective, the amalgamation of the Transferor Companies with the Transferee Company would follow ‘**pooling of interest/amalgamation in the nature of merger**’ method as prescribed in the Accounting Standard 14: ‘Accounting for Amalgamations’ as notified under Section 211(3C) of the Companies Act, 1956 read with notified provisions of Section 133 of the Companies Act, 2013, such that:-

- 11.1 The Transferee Company shall, upon the Scheme coming into effect, record the assets and liabilities of the Transferor Companies vested in it pursuant to this Scheme at the respective book values thereof and in the same form as appearing in the books of the Transferor Companies at the close of business of the day immediately preceding the Appointed Date.
- 11.2 The Transferee Company shall record the security premium, general reserves and the capital reserves, if any, of the Transferor Companies in the same form and at the same values as they appear in the financial statements of the Transferor Companies at the close of business of the day immediately preceding the Appointed Date. The surplus balance in the Statement of Profit and Loss of the Transferor Companies shall be similarly aggregated with the surplus balances in statement of Profit and Loss of the Transferee Company.
- 11.3 The accumulated losses/ deficit in the Statement of Profit and Loss of the Transferor Companies shall be shown as goodwill in the books of the Transferee Company
- 11.4 The difference, if any, between the investment of the Transferee Company and the amount of share capital of the Transferor Companies shall be adjusted in the Reserves of the Transferee Company
- 11.5 To the extent there are inter-corporate loans or balances between the transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.

## **12. CONSEQUENTIAL MATTERS RELATING TO TAX**

- 12.1 Upon the Scheme coming into effect, all taxes/ cess/ duties, direct and/or indirect, payable by or on behalf of the Transferor Companies from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with the Revenue Authorities and including the right to claim credit for minimum alternate tax and carry forward of accumulated losses, shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims and accumulated losses of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise, if it becomes necessary, its Income tax returns, Sales tax returns, Excise & Cenvat returns, service tax returns, other tax returns, and to claim refunds/

credits, pursuant to the provisions of this Scheme. The Transferee Company is also expressly permitted to claim refunds / credits in respect of any transaction between or amongst any Transferor Companies and the Transferee Company or inter se amongst the Transferor Companies.

*Provided further* that upon the Scheme becoming effective, the Transferee Company is also expressly permitted to revise, if it becomes necessary, its income tax returns and related TDS Certificates, including TDS Certificates relating to transactions between or amongst any Transferor Companies and the Transferee Company or inter se amongst the Transferor Companies, and to claim refunds, advance tax and withholding tax credits, benefit of credit for minimum alternate tax and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.

- 12.2 In accordance with the Cenvat Credit Rules framed under the Central Excise Act, 1944, as are prevalent on the Effective Date, the unutilized credits relating to excise duties/service tax paid on inputs/capital goods/ input services lying in the accounts of the undertakings of the Transferor Companies shall be permitted to be transferred to the credit of the Transferee Company, as if all such unutilized credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the excise duty/ service tax payable by it.
- 12.3 In accordance with the Tamil Nadu Value Added Tax Act, 2006, as are prevalent on the Effective Date, the unutilized credits, if any, relating to VAT paid on inputs/capital goods lying in the accounts of the undertakings of the Transferor Companies shall be permitted to be transferred to the credit of the Transferee Company, as if all such unutilized credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the VAT/ CST payable by it.

### **PART III - GENERAL TERMS AND CONDITIONS**

#### **13. APPLICATION TO COURT**

- 13.1. The Transferor Companies shall, with reasonable despatch, apply to the Court for necessary orders or directions for holding meetings of the members of the Transferor Companies for sanctioning this Scheme of Amalgamation under Section 391 of the Act or for dispensing the holding of such meetings and orders under Section 394 of the Act, for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding up.

#### **14. DISSOLUTION OF TRANSFEROR COMPANIES**

- 14.1 Subject to an order being made by the Court under Section 394 of the Act, the Transferor Companies shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made thereunder.

#### **15. MODIFICATIONS / AMENDMENTS TO THE SCHEME**

- 15.1 The Transferor Companies and the Transferee Company through their respective Boards of Directors including Committees of Directors or other persons, duly authorised by the respective Boards in this regard, may make, or assent to, any alteration or modification to this Scheme or to any conditions or limitations, which the Court or any other Competent

Authority may deem fit to direct, approve or impose and may give such directions including an order of dissolution of the Transferor Companies without process of winding up as they may consider necessary, to settle any doubt, question or difficulty, arising under the scheme or in regard to its implementation or in any manner connected therewith and to do and to execute all such acts, deeds, matters and things necessary for putting this Scheme into effect, or to review the portion relating to the satisfaction of the conditions to this scheme and if necessary, to waive any of those (to the extent permitted under law) for bringing this scheme into effect.

- 15.2 If any part or provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Companies and the Transferee Company, affect the validity of implementation of the other parts and/or provisions of the Scheme. If any Part or provision of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Companies and the Transferee Company that such Part or provision, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part or provision, as the case may be, shall cause this Scheme to become materially adverse to the Transferor Companies and the Transferee Company, in which case the Transferor Companies and the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Companies and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such Part or provision.

## **16. DATE OF TAKING EFFECT**

- 16.1 The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by the Court shall be effective from the Appointed Date but shall be operative from the Effective Date.

## **17. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS**

This Scheme is conditional on and subject to -

- 17.1 The Scheme being agreed to by the respective requisite majorities of the members of the Transferor Companies, if meetings of Equity Shareholders/ Preference Shareholders of the said companies are convened by the Court or if dispensation from conducting the meeting of the equity shareholders/ preference shareholders is obtained from the Court, and the sanction of the Court being accorded to the Scheme.
- 17.2 The approval of the public shareholders of the Transferee Company in such a manner that the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it and the approval of the Scheme of Amalgamation by the shareholders of the Transferee Company through Postal Ballot and e-voting as prescribed by the Securities and Exchange Board of India Circular No. CIR/CFD/CMD/16/2015 dated 30<sup>th</sup> November 2015.
- 17.3 The sanction by the Court under Sections 391 and 394 and other applicable provisions of the Act being obtained by the Transferor Companies/ Transferee Company.

17.4 The filing with the Registrar of Companies, Coimbatore of certified copies of all necessary orders, sanctions and approvals mentioned above by the respective Company.

**18. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS**

18.1 In the event of the Scheme not being sanctioned by the Court and/or the order or orders not being passed as aforesaid, the Scheme shall become fully null and void and in that event no rights and liabilities shall accrue to or be inter-se by the parties in terms of the Scheme, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. In such event, each party shall bear and pay its respective costs, charges and expenses for and / or in connection with the Scheme.

**19. EXPENSES CONNECTED WITH THE SCHEME**

19.1 All costs, charges, levies, fees, duties and expenses of the Transferor Companies and the Transferee Company respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to or in connection with the Scheme shall be borne and paid by the Transferee Company.



## D & A FINANCIAL SERVICES (P) LIMITED

Merchant Banking & Corporate Advisory Services

Date: 23<sup>rd</sup> November 2016

To

The Board of Directors

**SUPER SPINNING MILLS LIMITED**

CIN: L17111TZ1962PLC001200

'Elgi Towers', P.B NO: 7113,

Green Fields, Pullakulam Road,

Coimbatore – 641045

Tamil Nadu, India

Dear Sir/s,

**Sub: Fairness Opinion on the draft Scheme of Amalgamation proposing the amalgamation of Sara Elgi Arteriors Limited and Elgi Building Products Limited, the subsidiaries (being the Transferor Companies) with Super Spinning Mills Limited, the holding company (being the Transferee Company)**

We, M/s. D & A Financial Services Private Limited, a SEBI Registered Merchant Banker having SEBI Registration No. INM000011484 have been engaged by M/s. Super Spinning Mills Limited (CIN: L17111TZ1962PLC001200) to provide a "Fairness Opinion" in terms of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30<sup>th</sup> November 2015 on the proposed Scheme of Amalgamation of Sara Elgi Arteriors Limited and Elgi Building Products Limited (hereinafter collectively referred to as "Transferor Companies"), the subsidiaries with Super Spinning Mills Limited (hereinafter referred to as the "Transferee Company"), the holding company pursuant to draft scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 and the relevant rules and regulations made thereunder. However, upon the relevant Sections of the Companies Act, 2013 pertaining to schemes of arrangement, compromise or reconstruction of companies being notified by the Ministry of Corporate Affairs ("MCA"), the Scheme of Amalgamation shall be deemed to have been formulated and presented under Sections 230 to 240 of the Companies Act, 2013.



H.O. & Regd. Office: 13, Community Centre, 2nd Floor, East of Kirtiash, New Delhi-110085, Phone: +91 11 26472557, 26419079  
 Fax: +91 11 26219491, E-mail: [dfspl@gmail.com](mailto:dfspl@gmail.com), [investors@dnafinsoerv.com](mailto:investors@dnafinsoerv.com), [contact@dnafinsoerv.com](mailto:contact@dnafinsoerv.com), Website: [www.dnafinsoerv.com](http://www.dnafinsoerv.com)

• Mumbai • Ahmedabad CIN : U74899DL1991PTC012709

**Company Profile:****SUPER SPINNING MILLS LIMITED:**

**SUPER SPINNING MILLS LIMITED – CIN: L17111TZ1962PLC001200** (hereinafter referred to as "Transferee Company"), was incorporated on 6<sup>th</sup> day of June, 1962 under the Companies Act, 1956, in the State of Andhra Pradesh and obtained the certificate of commencement of business on 23<sup>rd</sup> July, 1962. Subsequently, the registered office of the company was shifted from the State of Andhra Pradesh to its present address situated in the State of Tamil Nadu at 'Elgi Towers', P.B No: 7113, Green Fields, Pullakulam Road, Coimbatore – 641045, Tamil Nadu, India.

The equity shares of the Transferee Company are listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE").

The Transferee Company is engaged in the business of manufacturing and dealing in cotton yarn, cotton fiber including blended cotton and other fabrics. The Transferee Company is the holding company of the Transferor Company (1) & the ultimate holding company of Transferor Company (2).

The entire issued, subscribed and paid-up share capital of Super Spinning Mills as on 30<sup>th</sup> September, 2016 is Rs.5,50,00,000/- (Rupees Five Crore and Fifty Lakhs only) divided into 5,50,00,000 (Five Crore and Fifty Lakhs) Equity Shares of Re.1/- (Rupee One only) each. The shareholding pattern of Super Spinning Mills Limited as on 30<sup>th</sup> September 2016 is as follows

S. No.	Category of Shareholder	No. of Shares held	Percentage of Shares held
1.	Promoter & Promoter Group	2,33,53,564	42.46
2.	Public	3,16,46,436	57.54
	<b>Total</b>	<b>5,50,00,000</b>	<b>100.00</b>

**SARA ELGI ARTERIORS LIMITED:**

**SARA ELGI ARTERIORS LIMITED – CIN: U28111TZ2003PLC010797** (hereinafter referred to as "Transferor Company 1") was incorporated on the 16<sup>th</sup> day of October, 2003 under the Companies Act, 1956, in the State of Tamil Nadu. The registered office of the Transferor Company (1) is situated at Elgi Towers, 737D, Pullakulam Road, Coimbatore – 641045, Tamil Nadu, India.



The Transferor Company (1) is engaged in the business of manufacturing and dealing in doors, windows and their frames, shutters and rolling shutters; fire escapes, gates and similar articles of iron or steel used on buildings.

The equity shares of the company are not listed on any Stock Exchange either in India or abroad.

The entire issued, subscribed and paid-up share capital of the Transferor Company (1) is held by "Super Spinning Mills Limited", the Transferee Company, in its own name and jointly with its nominees in the manner as specified below

S. No.	Name of Shareholder	Number of Shares held	Percentage of Shares held
<b>Equity Shares of Rs.10/- each</b>			
1.	Super Spinning Mills Limited (Including Beneficial Interest of shares held by its nominees)	25,00,000	100.00
	<b>Total</b>	<b>25,00,000</b>	<b>-</b>

Hence, the Transferor Company (1) is a wholly-owned subsidiary of the Transferee Company.

#### **ELGI BUILDING PRODUCTS LIMITED:**

**ELGI BUILDING PRODUCTS LIMITED – CIN: U45201TZ1996PLC007037** (hereinafter referred to as "Transferor Company 2") was incorporated on the 15<sup>th</sup> day of March, 1996 under the Companies Act, 1956, in the State of Tamil Nadu under the name and style of ELGI WIESSNER AIR TECHNIC LIMITED. Subsequently, the name was changed as ELGI BUILDING PRODUCTS LIMITED on 15<sup>th</sup> June 1999. The registered office of the Transferor Company (2) is situated at Elgi Tower, 737-D, Pappanaickenpalayam Road, Pullakulam, Coimbatore – 641045, Tamil Nadu, India.

The Transferor Company (2) is engaged in the business of manufacturing of all kinds of air conditioning equipment and waste removal equipment and manufacturing of doors, windows and window frames and all other building materials which are used in buildings.



The equity shares of the company are not listed on any Stock Exchange either in India or abroad.

The issued, subscribed and paid-up share capital of the Transferor Company (2) is held by "Sara Elgi Arteriors Limited" and "Super Spinning Mills Limited" in the manner as mentioned below

S. No.	Name of Shareholder	Number of Shares held	Percentage of Shares held
<b>Equity Shares of Rs.10/- each</b>			
1.	Sara Elgi Arteriors Limited (Including Beneficial Interest of shares held by its nominees)	41,96,408	58.32
2.	Super Spinning Mills Limited	29,99,592	41.68
<b>10% 8 years Non-cumulative Redeemable Preference Shares of Rs.10/- each</b>			
1.	Super Spinning Mills Limited	70,00,000	100.00
<b>10% 8 years Cumulative Redeemable Preference Shares of Rs.10/- each</b>			
2.	Super Spinning Mills Limited	5,00,000	100.00
	<b>Total</b>	<b>1,46,96,000</b>	<b>-</b>

As such, the Transferor Company (2) is a step-down subsidiary of the Transferee Company.

#### **Sources of the Information**

For arriving at the fairness opinion set forth below, we have relied upon the following sources of information:

1. Proposed Draft Scheme of Amalgamation
2. Certificate dated 23<sup>rd</sup> November, 2016 issued by Mr.A.Palaniappan, Chartered Accountant, Coimbatore
3. Publicly available financial information relating to the Companies.

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for the purpose of our Analysis.





**Scope and Purpose of the Opinion**

Pursuant to the requirements of Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30<sup>th</sup> November, 2015 a fairness opinion has to be obtained from an independent merchant banker on the valuation of assets/shares done by the valuer for the listed as well as unlisted companies.

The purpose of the opinion is to safeguard the interest of the shareholders and that of the companies involved in the proposed Scheme and this opinion shall be made available to the shareholders of the relevant Companies and to any other relevant authority.

**Disclaimer**

This report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in Companies or deal in any form in the securities of the Company and should also not be considered as a final equity value of the Company.

Our report does not, in any way, guarantee that the equity shares of Companies will continue to remain at the price on which the valuation of the shares takes place.

D & A Financial Services Private Limited has issued this fairness opinion with the understanding that draft scheme of amalgamation shall not be materially altered and the parties hereto agree that fairness opinion would not stand good in case the final scheme of amalgamation alters the transactions.

This letter is for the benefit of and confidential use by the Company. This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Management or related parties of Companies are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

  5

**In no circumstances whatsoever, will D & A Financial Services Private Limited, its Directors and employees accept any responsibility of liability towards any third party for consequences arising out of the use of this report.**

**Key facts and the Rationale of the Scheme:**

We are given to understand that the management of Super Spinning Mills Limited is proposing an internal restructuring by merging Sara Elgi Arteriors Limited and Elgi Building Products Limited, the subsidiaries with Super Spinning Mills Limited, the holding company under a Scheme of Amalgamation pursuant to Sections 391 to 394 of the Companies Act, 1956 with effect from 1<sup>st</sup> April 2016 or any other date as may be stipulated by the Court.

We further understand that since the draft Scheme of Amalgamation proposes the amalgamation of Sara Elgi Arteriors Limited, a wholly-owned subsidiary of Super Spinning Mills Limited and Elgi Building Products Limited, a step-down subsidiary of Super Spinning Mills Limited (jointly owned by Super Spinning Mills Limited and Sara Elgi Arteriors Limited) with Super Spinning Mills Limited, the holding company there would not be any allotment of shares under the said Scheme of Amalgamation.

We further understand from the proposed Scheme that the merger is expected to yield the following benefits:

- (i) Enable consolidation of the business of the three companies into one entity which will facilitate in focused growth, operational efficiencies, business synergies and better supervision of the business of the group.
- (ii) Pooling of resources (including manpower, management and administration and marketing resources) of the aforesaid companies resulting in, synergies of operations and optimisation of logistics, resulting in more productive utilisation of said resources, savings in cost and operational efficiencies.
- (iii) Strengthening financial position and increased leverage capacity of the merged entity



- (iv) Concentrated management focus, improved organisational capacity, integration rationalisation and streamlining of the management structure of the merged entity, seamless implementation of policy changes at a higher level from a management perspective and shall also help enhance the efficiency and control of the entities.
- (v) Facilitating internal transfer of resources and optimum utilisation of assets
- (vi) Avoiding duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances
- (vii) Enable the creation of a platform for a new business segment and to act as a gateway for growth and expansion of business operations.

The proposed amalgamation shall be pursuant to the Draft Scheme of Amalgamation and shall be subject to receipt of approval from the Jurisdictional High Court of Madras, the relevant Stock Exchanges and other statutory approvals as may be required. The detailed terms and conditions of the Amalgamation are more fully set forth in the Draft Scheme of Amalgamation.

#### **Fairness Opinion**

Based on the information provided to us by the management of the entities forming part of the proposed Scheme of Amalgamation, we understand that the entire issued, subscribed and paid-up share capital of Sara Elgi Arteriors Limited (Transferor Company 1) is held by Super Spinning Mills Limited (the Transferee Company) and entire issued, subscribed and paid-up share capital of Elgi Building Products Limited (Transferor Company 2) is held by Sara Elgi Arteriors Limited (Transferor Company 1) and Super Spinning Mills Limited (Transferee Company).

We further understand that , upon the Scheme becoming effective, the equity shares of Sara Elgi Arteriors Limited (Transferor Company - 1) held by Super Spinning Mills Limited (Transferee Company) and the equity and preference shares of Elgi Building Products Limited (Transferor Company - 2) held by Sara Elgi Arteriors Limited (Transferor Company - 1) and Super Spinning Mills Limited (Transferee Company) shall stand cancelled, with no issuance of shares or payment of other consideration by Super Spinning Mills Limited.



Further, we understand and report that since the proposed Scheme of Amalgamation does not, in any way, alter or change the shareholding pattern of Super Spinning Mills Limited, the Holding Listed Company (being the Transferee Company), it is treated as 'no change in shareholding pattern' in accordance with the SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30<sup>th</sup> November, 2015 and accordingly, the Valuation Report from an Independent Chartered Accountant is not applicable in respect of the proposed Scheme.

In consideration of the foregoing observations and understandings and subject to the exclusions and limitations detailed above, we hereby state and report that the proposed Scheme of Amalgamation,—proposing the amalgamation of M/s.Sara Elgi Arteriors Limited (CIN: U28111TZ2003PLC010797) and M/s.Elgi Building Products Limited (CIN: U45201TZ1996PLC007037), the subsidiaries (being Transferor Companies) with M/s.Super Spinning Mills Limited (CIN: L17111TZ1962PLC001200), the holding Company (being the Transferee Company), in our opinion, is fair and reasonable.

Thanking you

For **D & A Financial Services Private Limited**

**M K Doogar**  
Director  
SEBI Registration No. IN0000011484



Date: 23<sup>rd</sup> November 2016

Place: New Delhi

**SHAREHOLDING PATTERN OF SUPER SPINNING MILLS LIMITED (TRANSFEREE COMPANY)**

As there is no issue of shares pursuant to the Scheme of Amalgamation, the Pre and Post amalgamation shareholding pattern of the Transferee Company would remain unchanged. The shareholding pattern of the Transferee Company as on 31<sup>st</sup> March, 2017 is given below:-

S. No.	Category of Shareholders	No. of Shareholders	Total Number of Shares held	Percentage of Shares held
<b>A.</b>	<b>Promoter &amp; Promoter Group</b>			
<b>1.</b>	<b>Indian</b>			
i.	Individuals/ Hindu Undivided Family	13	1,83,79,740	33.42
ii.	Central Government/ State Government(s)	-	-	-
iii.	Financial Institutions/ Banks	-	-	-
iv.	<i>Any Other</i>			
a.	Trust	2	13,62,910	2.48
b.	Body Corporate	2	36,10,914	6.56
	<b>Sub-total (A)(1)</b>	<b>17</b>	<b>2,33,53,564</b>	<b>42.46</b>
<b>2.</b>	<b>Foreign</b>	-	-	-
	<b>Sub-total (A)(2)</b>	-	-	-
	<b>Total Shareholding of Promoter &amp; Promoter Group (A)</b>	<b>17</b>	<b>2,33,53,564</b>	<b>42.46</b>
<b>B.</b>	<b>Public</b>			
<b>1.</b>	<b>Institutions</b>			
i.	Mutual Funds	1	1,470	0.00
ii.	Venture Capital Funds	-	-	-
iii.	Alternate Investment Funds	-	-	-
iv.	Foreign Venture Capital Investors	-	-	-
v.	Foreign Portfolio Investors	1	1,000	0.00
vi.	Financial Institutions/ Banks	-	-	-
vii.	Insurance Companies	-	-	-
viii.	Provident Funds/ Pension Funds	-	-	-
ix.	Any Other	-	-	-
	<b>Sub-Total (B)(1)</b>	<b>2</b>	<b>2,470</b>	<b>0.00</b>
<b>2.</b>	<b>Central Government/ State Government(s)/ President of India</b>	-	-	-
	<b>Sub-Total (B)(2)</b>	-	-	-

S. No.	Category of Shareholders	No. of Shareholders	Total Number of Shares held	Percentage of Shares held
3.	<i>Non-institutions</i>			
i.	Individuals			
a.	Individual shareholders holding nominal share capital up to Rs. 2 lakhs	9,082	2,22,76,891	40.50
b.	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	4	14,71,485	2.68
ii.	NBFCs registered with RBI	-	-	-
iii.	Employee Trusts	-	-	-
iv.	Overseas Depositories (holding DRs)	-	-	-
v.	Any Other			
a.	Hindu Undivided Family	400	26,79,226	4.87
b.	Non-Resident Indian (Non repat)	28	2,19,650	0.40
c.	Non-Resident Indian (Repat)	54	1,57,567	0.29
d.	Unclaimed Shares	1	9,89,480	1.80
e.	Clearing Member	74	4,75,939	0.87
f.	Market Maker	5	69,179	0.13
g.	Bodies Corporate	197	33,04,549	6.01
	<b>Sub-Total (B)(3)</b>	<b>9,845</b>	<b>3,16,43,966</b>	<b>57.53</b>
	<b>Total Public Shareholding (B)</b>	<b>9,847</b>	<b>3,16,46,436</b>	<b>57.54</b>
	<b>TOTAL (A) + (B)</b>	<b>9,864</b>	<b>5,50,00,000</b>	<b>100.00</b>

#### SHAREHOLDING PATTERN OF SARA ELGI ARTERIORS LIMITED (TRANSFEROR COMPANY-1)

Upon the Scheme of Amalgamation becoming fully effective, the entire paid-up share capital of M/s.Sara Elgi Arteriors Limited (Transferor Company-1) shall stand cancelled.

The pre amalgamation shareholding pattern of the Transferor Company-1 as on 31<sup>st</sup> March, 2017 is given below:-

S. No.	Category of Shareholders	No. of Shareholders	Total Number of Shares held	Percentage of Shares held
<b>A.</b>	<b>Promoter &amp; Promoter Group Indian</b>			
1.				
i.	Individuals/ Hindu Undivided Family	-	-	-
ii.	Central Government/ State Government(s)	-	-	-
iii.	Financial Institutions/ Banks	-	-	-
iv.	Any Other			
a.	Body Corporate	7*	25,00,000	100.00
	<b>Sub-total (A)(1)</b>	<b>7*</b>	<b>25,00,000</b>	<b>100.00</b>

S. No.	Category of Shareholders	No. of Shareholders	Total Number of Shares held	Percentage of Shares held
2.	Foreign	-	-	-
	Sub-total (A)(2)	-	-	-
	<b>Total Shareholding of Promoter &amp; Promoter Group (A)</b>	<b>7*</b>	<b>25,00,000</b>	<b>100.00</b>
<b>B.</b>	<b>Public</b>			
1.	<i>Institutions</i>			
i.	Mutual Funds	-	-	-
ii.	Venture Capital Funds	-	-	-
iii.	Alternate Investment Funds	-	-	-
iv.	Foreign Venture Capital Investors	-	-	-
v.	Foreign Portfolio Investors	-	-	-
vi.	Financial Institutions/ Banks	-	-	-
vii.	Insurance Companies	-	-	-
viii.	Provident Funds/ Pension Funds	-	-	-
ix.	Any Other	-	-	-
	<b>Sub-Total (B)(1)</b>	-	-	-
2.	<i>Central Government/ State Government(s)/ President of India</i>	-	-	-
	<b>Sub-Total (B)(2)</b>	-	-	-
3.	<i>Non-institutions</i>			
i.	Individuals			
a.	Individual shareholders holding nominal share capital up to ₹ 2 lakhs	-	-	-
b.	Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs	-	-	-
ii.	NBFCs registered with RBI	-	-	-
iii.	Employee Trusts	-	-	-
iv.	Overseas Depositories (holding DRs)	-	-	-
v.	Any Other	-	-	-
	<b>Sub-Total (B)(3)</b>	-	-	-
	<b>Total Public Shareholding (B)</b>	-	-	-
	<b>TOTAL (A) + (B)</b>	<b>7*</b>	<b>25,00,000</b>	<b>100.00</b>

\* Includes shares held by Individuals who are Nominees of M/s.Super Spinning Mills Limited Post Amalgamation the entire shareholding of M/s.Sara Elgi Arteriors Limited shall be NIL and the Transferor Company-1 shall stand dissolved.

## SHAREHOLDING PATTERN OF ELGI BUILDING PRODUCTS LIMITED (TRANSFEROR COMPANY-2)

Upon the Scheme of Amalgamation becoming fully effective, the entire paid-up share capital of M/s.Elgi Building Products Limited (Transferor Company-2) shall stand cancelled.

Further, the entire preference share capital of M/s.Elgi Building Products Limited (Transferor Company-2) of ₹ 7,50,00,000/- constituting 70,00,000 10% 8 years Non-cumulative Redeemable Preference Shares ₹ 10/- each and 5,00,000 10% 8 years Cumulative Redeemable Preference Shares ₹ 10/- each held by M/s.Super Spinning Mills Limited shall also stand cancelled upon the Scheme of Amalgamation becoming fully effective.

The pre amalgamation shareholding pattern of the Transferor Company-2 as on 31<sup>st</sup> March, 2017 is given below:-

S. No.	Category of Shareholders	No. of Shareholders	Total Number of Shares held	Percentage of Shares held
<b>A.</b>	<b>Promoter &amp; Promoter Group</b>			
<b>1.</b>	<b>Indian</b>			
i.	Individuals/ Hindu Undivided Family	-	-	-
ii.	Central Government/ State Government(s)	-	-	-
iii.	Financial Institutions/ Banks	-	-	-
iv.	Any Other			
a.	Body Corporate	7*	71,96,000	100.00
	<b>Sub-total (A)(1)</b>	<b>7*</b>	<b>71,96,000</b>	<b>100.00</b>
<b>2.</b>	<b>Foreign</b>	-	-	-
	<b>Sub-total (A)(2)</b>	-	-	-
	<b>Total Shareholding of Promoter &amp; Promoter Group (A)</b>	<b>7*</b>	<b>71,96,000</b>	<b>100.00</b>
<b>B.</b>	<b>Public</b>			
<b>1.</b>	<b>Institutions</b>			
i.	Mutual Funds	-	-	-
ii.	Venture Capital Funds	-	-	-
iii.	Alternate Investment Funds	-	-	-
iv.	Foreign Venture Capital Investors	-	-	-
v.	Foreign Portfolio Investors	-	-	-
vi.	Financial Institutions/ Banks	-	-	-
vii.	Insurance Companies	-	-	-
viii.	Provident Funds/ Pension Funds	-	-	-
ix.	Any Other	-	-	-
	<b>Sub-Total (B)(1)</b>	-	-	-



S. No.	Category of Shareholders	No. of Shareholders	Total Number of Shares held	Percentage of Shares held
2.	<i>Central Government/ State Government(s)/ President of India</i>	-	-	-
	<b>Sub-Total (B)(2)</b>	-	-	-
3.	<i>Non-institutions</i>			
i.	Individuals			
a.	Individual shareholders holding nominal share capital up to ₹ 2 lakhs	-	-	-
b.	Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs	-	-	-
ii.	NBFCs registered with RBI	-	-	-
iii.	Employee Trusts	-	-	-
iv.	Overseas Depositories (holding DRs)	-	-	-
v.	Any Other	-	-	-
	<b>Sub-Total (B)(3)</b>	-	-	-
	<b>Total Public Shareholding (B)</b>	-	-	-
	<b>TOTAL (A) + (B)</b>	<b>7*</b>	<b>71,96,000</b>	<b>100.00</b>

\* Includes shares held by Individuals who are Nominees of M/s.Sara Elgi Arteriors Limited Post Amalgamation the entire shareholding of M/s.Elgi Building Products Limited shall be NIL and the Transferor Company-2 shall stand dissolved.



# Super Spinning Mills Limited

Regd. & Central Office : "Eig Towers" P.B. 7113, Green Fields, 737-D, Pulkulam Road, Coimbatore - 641 045.

## Complaints Report

### PART A

Sr. No.	Particulars	Number
1	Number of complaints received directly	Nil
2	Number of complaints forwarded by Stock Exchanges	Nil
3	Total Number of complaints/ comments received [1+2]	Nil
4	Number of complaints resolved	N.A.
5	Number of complaints pending	N.A.

### PART B

Sr. No.	Name of complainant	Date of Complaint	Status (Resolved/Pending)
1		N.A.	

Place: Coimbatore

Date : 16<sup>th</sup> February 2017

For Super Spinning Mills Ltd

*Ramesh K. R.*  
Ramesh Krishnasudam  
Company Secretary

RECOGNISED EXPORT - TRADING HOUSE

Phone : +91-422 - 2311711, Fax : 91 - 422 - 2311811, E-mail : super@esh.ssmil.com  
CIN : L17111T21962PLC001209 Web : www.super spinning.com





DCS/AMAL/MD/R37/731/2016-17

March 8, 2017

The Company Secretary  
**SUPER SPINNING MILLS LTD.**  
 Elgi Towers, P B No 7113, 737 - D,  
 Green Fields, Pullaikulam Road,  
 Coimbatore - 641045, Tamil Nadu.

Sir,

**Sub: Observation letter regarding the Draft Scheme of Amalgamation of Sara Elgi Arteriors limited and Elgi Building Products Limited with Super Spinning Mills Limited and their respective Shareholders and Creditors.**

We are in receipt of Draft Scheme of Amalgamation of Sara Elgi Arteriors limited and Elgi Building Products Limited with Super Spinning Mills Limited and their respective Shareholders and Creditors filed as required under SEBI Circular No. CFR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated March 8, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- "Company shall duly comply with various provisions of the Circulars."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court/NCLT.

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court/NCLT, the listed company shall submit to the stock exchange the following:

- Copy of the High Court approved Scheme;
- Result of voting by shareholders for approving the Scheme;
- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

  
 Nitin Pujari  
 Manager



**NATIONAL STOCK EXCHANGE  
OF INDIA LIMITED**



Stock of the nation

Ref: NSE/LIST/107108

March 10, 2017

The Company Secretary  
Super Spinning Mills Limited  
'Elgi Towers'  
P.B.No. 7113, 737-D, Green Fields,  
Pulinkulam Road  
Coimbatore - 641045

**Kind Attn.: Mrs. Ramaa Krishnakumar**

Dear Madam,

**Sub: Observation letter for draft Scheme of Amalgamation Of Sara Elgi Arteriors Limited and Elgi Building Products Limited With Super Spinning Mills Limited.**

This has reference to draft Scheme of Amalgamation Of Sara Elgi Arteriors Limited and Elgi Building Products Limited With Super Spinning Mills Limited submitted to NSE on December 14, 2016.

Based on our letter reference no Ref: NSE/LIST/100845 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI has vide letter dated March 08, 2017, has given following comments on the draft Scheme of Arrangement:

*"The Company shall duly comply with various provisions of the Circular."*

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with the Hon'ble High Court.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from March 10, 2017, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

- a) Copy of Scheme as approved by the High Court;
- b) Result of voting by shareholders for approving the Scheme;
- c) Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme,
- d) Status of compliance with the Observation Letter/s of the stock exchanges.
- e) The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and

1.



f) Complaints Report as per SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.

Yours faithfully,  
For National Stock Exchange of India Limited



Jagdishan Gajjar  
Chief Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL [http://www.nseindia.com/corporates/content/further\\_issues.htm](http://www.nseindia.com/corporates/content/further_issues.htm)



# SUPER SPINNING MILLS LIMITED

CIN: L17111TZ1962PLC001200

Regd. Off.: 'ELGI TOWERS', P.B NO: 7113, Green Fields,

Puliakulam Road, Coimbatore - 641045

Phone: 0422-2311711 Fax: 0422-2311611

Email: [investors@ssh.saraelgi.com](mailto:investors@ssh.saraelgi.com) Website: [www.superspinning.com](http://www.superspinning.com)

## POSTAL BALLOT FORM

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

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

1. Registered Folio No./ DP ID No. & Client ID No. *	
*(Applicable to members holding shares in dematerialized form)	
2. Name(s) and Registered Address of the sole/first named Shareholder / Beneficial owner, including Joint holder(s), if any (in block letters)	
3. Number of shares held	

I/We hereby exercise my/our vote in respect of the Ordinary / Special Resolutions proposed to be passed through postal ballot for the businesses stated in the Notice of the Company dated 28<sup>th</sup> April 2017 as per the resolutions with explanatory statement by conveying my / our assent or dissent to the said resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Description	No. of Shares	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Ordinary Resolution for approval of Scheme of Amalgamation of Sara Elgi Arteriors Limited (Transferor Company-1) and Elgi Building Products Limited (Transferor Company-2) with Super Spinning Mills Limited (Transferee Company) pursuant to Section 230 to 232 of the Companies Act, 2013 read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30 <sup>th</sup> November 2015			
2.	Special Resolution under Section 14 of the Companies Act, 2013 for alteration of the Articles of Association of the company by substitution of the existing Articles with a new set of Articles in line with the provisions of Companies Act, 2013			

Place :

Signature of shareholder  
(Refer instruction No.(d). over leaf)

Date :

### E-voting particulars

If desirous of E-voting, please read the instructions given in the Postal Ballot Notice before exercising the same

EVS (Electronic Voting Sequence Number)	*Default PAN / Sequence Number
<b>170428005</b>	

\*Those who have not registered their PAN may use default PAN / Sequence Number .

Note : 1. In case you opt to cast your vote by e-voting, then there is no need to fill-in and send this form.

2. Last date for receipt of postal ballot form is Thursday, 8<sup>th</sup> June 2017 (Not later than 5.00 PM).

(PTO)

## INSTRUCTIONS

### For Voting through Physical Postal Ballot Form

- a) A member desiring to exercise his vote by postal ballot may complete the Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing postal ballots, if sent by courier at the expenses of the registered member will also be accepted.
- b) Please convey your assent/ dissent in this Postal Ballot Form. The assent/ dissent received in any other form shall not be considered valid.
- c) The votes should be cast in favour of or against the resolution by putting the tick mark (✓) in the column provided for assent or dissent. Postal Ballot Form bearing (✓) in both the column will render the form invalid.
- d) The Postal Ballot Form should be completed and signed by the member. In case of joint holding, the Postal Ballot Form should be completed and signed (as per specimen signature registered with the company) by the first named member and in his absence, by the next named member.
- e) The Postal Ballot Form shall not be exercised by a Proxy.
- f) In case shares are held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authority of the Shareholder.
- g) Incomplete, unsigned or incorrectly ticked Postal Ballot Form shall be rejected.
- h) In case the number of shares is not mentioned against the resolutions, it will be deemed that the member has exercised his votes for the entire shares held by him.
- i) In addition to the reasons as mentioned above for rejection, Postal Ballot Form/Votes will be considered invalid on the following grounds:
  - a. If a form other than the one issued by the company has been used.
  - b. If the Postal Ballot Form has not been signed by or on behalf of the member.
  - c. If the shareholders' signature does not match with the specimen signature registered with the Company.
  - d. If it is not possible to determine without any doubt the assent or dissent of the member.
  - e. If assent or dissent is not mentioned
  - f. If assent or dissent is given subject to some amendment to the resolution or condition.
  - g. If any competent authority has given direction in writing to the company to freeze the voting rights of a member
  - h. If the envelope containing the Postal Ballot Form is received after the last date and time prescribed.
  - i. If the postal Ballot form is signed by a representative of a member and is not accompanied by a certified copy of the specific authority.
  - j. If the Postal Ballot Form is filled in pencil or signed in pencil
  - k. If the Postal Ballot Form is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the shareholder or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or one or more of the grounds.
- j) In terms of the provisions of Rule 22 of the Companies (Management and Administration) Rules, 2014 Mr.M.D.Selvaraj, FCS of MDS & Associates, Company Secretaries, Coimbatore has been appointed as Scrutinizer for conducting the postal ballot. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours (ie. 5.00 PM) on Thursday, 8<sup>th</sup> June 2017. All Postal Ballot Forms received after the last date will be strictly treated as if the reply from such a member has not been received.
- k) Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage prepaid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
- l) A member is neither required to cast all his/her votes nor he/she is required to vote in the same manner.
- m) There shall be one Postal Ballot Form for every Folio/ Client ID, irrespective of the number of Joint holders. In case two forms are received for a Folio/ Client ID, then the Postal Ballot Form received first alone shall be considered.
- n) In case members cast their vote both via physical ballot and e-voting, then voting through e-voting shall prevail and voting done by physical ballot shall be treated as invalid.
- o) Members receiving the Postal Ballot notice by email may request for a duplicate Postal Ballot Form, if so required from M/s.Link Intime India Pvt Limited, Surya, 35 Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028, However, the duplicate Postal Ballot forms should reach the Scrutinizer not later than the date specified in (j) above.
- p) Members who have received Postal Ballot Form and are desirous of casting their votes by e-voting may follow e-voting procedure given in the Postal Ballot Notice.
- q) The Scrutinizer's decision on the validity of a Postal Ballot Form will be final.