

THANJAVUR SPINNING MILL LIMITED

NOTICE TO THE MEMBERS

Notice is hereby given that the 56th Annual General Meeting of the Company will be held at 11.30 A.M on Friday, the 10th August, 2018 at P.A.C. Ramasamy Raja Centenary Community Hall, Sudarsan Garden, P.A.C. Ramasamy Raja Salai, Rajapalayam – 626 108, Tamil Nadu to transact the following business:

ORDINARY BUSINESS

1. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED that the Directors’ Report and the Company’s Statement of Profit & Loss for the year ended 31st March 2018, Balance sheet as at that date and Cash Flow Statement for the year ended on that date and the Auditors’ Report thereon be and are hereby considered and adopted.”

2. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED that Shri. S. Kanthimathinathan, (DIN: 01124581), who retires by rotation, be and is hereby re-appointed as Director of the Company.”

SPECIAL BUSINESS

3. To consider and pass the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions if any of the Companies Act, 2013 and rules thereunder, the Board of Directors of the Company be and is hereby authorized to give Inter Corporate Deposits / Investments upto the limit of Rs. 25.00 Crores (Twenty five crores only) by the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary from time to time to give effect to this Resolution, including delegating whole or part of their powers in this regard to any Committee of Directors, or any other Principal Officer of the Company in the manner permitted under the Act or Rules made there under”.

By Order of the Board,

For THANJAVUR SPINNING MILL LIMITED,

RAJAPALAYAM,
29th May, 2018.

S. KANTHIMATHINATHAN
Chairman of the Meeting

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NOTES:

1. Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts concerning item of Special Business is annexed hereto.
2. **A Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and that the Proxy need not be a Member.**
3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total Share capital of the Company. Proxy Form is enclosed. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the Companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable. Attendance Slip is attached. Members, Proxies and Authorised Signatories are requested to bring the duly filled-in and signed, attendance slips to the Meeting.
4. The cut-off date will be Friday 3rd August, 2018 for determining the eligibility to vote by remote e-voting or in General Meeting.
5. In accordance with Section 124(6) of the Companies Act, 2013 and IEPF Rules 2016, the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the designated Demat Account of the IEPF Authority ('IEPF Account') within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, the Company had transferred 1,05,114 nos of Shares of Rs. 10 each to the IEPF Account on which the dividends remained unpaid or unclaimed for seven consecutive years with reference to the due date of 31st October, 2017 after following the prescribed procedure. In this regard, the Company has individually informed the shareholders concerned and also published notice in the newspapers as per the IEPF Rules. The statement containing the details of the Shareholders and the shares transferred were uploaded on the Company's website www.thanjavurspinningmill.co.in for information and necessary action by the Shareholders. In the event of the Shareholders not claiming the dividend and the shares are transferred to IEPF, the Shareholders are still entitled to claim the shares from IEPF by making an online application in Form No: IEPF-5 to the IEPF Authority. The procedure and the form are available at www.iepf.gov.in
6. Electronic copy of the Notice for the Annual General Meeting and the Annual Report for the financial year 2017-18 are being sent to all the Members whose E-Mail IDs are registered with the Company / Share Transfer Agent (Cameo Corporate Services Limited) / Depository Participant(s). Physical copy of the Notice together with the Annual Report are being sent in permitted mode, to Members for whom the E-Mail IDs are not available and who have requested for physical copies. The Notice and the Annual Report are also available on the Company's Website – www.thanjavurspinningmill.co.in for their download.

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7. Under Rule 18 of Companies (Management and Administration) Rules, 2014, Members, who have not got their E-Mail IDs recorded are requested to register their E-Mail address and changes therein with the Company in respect of physical Shares and with Depository Participants in respect of dematerialised Shares. Members are also requested to provide their Unique Identification Number and PAN (CIN in the case of Corporate Members) to the Company / Share Transfer Agent / Depository Participants.
8. A Route map with prominent Landmark for easy location of the venue of the meeting is given with this notice as per the requirement of Clause No. 1.2.4 of the Secretarial Standard - 2 on "General Meetings".
9. Voting through electronic means
 - A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing Members remote e-voting facility to exercise their right to vote at the 56th Annual General Meeting (AGM) and the business may be transacted through such voting, through e-voting services provided by Central Depository Services (India) Limited (CDSL).
 - B. The facility for voting, either through electronic voting system or ballot shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
 - C. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The instructions for e-voting are as under:

- i) To log on to the e-voting website www.evotingindia.com
 - ii) To Click on Shareholders tab.
 - iii) Now enter your User ID as given below:
 - For CDSL: 16 Digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - iv) Next enter the Captcha Code as displayed and Click on Login.
 - v) PASSWORD
 - If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
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- If you are first time user follow the steps given below:
 - (a) Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).

Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Folio No. / Client ID in the PAN field.

In case the Folio No is less than 8 digits, enter the applicable number of 0's before the Folio No. to make it 8 digits after the first two characters of the name in CAPITAL letters. Eg. If your name is R.Murugan with folio number 1 then enter RM00000001 in the PAN Field.

- (b) Please enter any one of the following details in order to login:

Date of Birth: Enter the Date of Birth as recorded in your demat account or in the Company in dd/mm/yyyy format.

Dividend Bank Details: Please enter Dividend Bank Details as recorded in your demat account or in the Company records.

If both of the above details are not recorded with the depository or Company, please enter the user ID [mentioned in iii above] in the Dividend Bank details field.

- vi) 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 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.
- vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- viii) Click on the relevant EVSN for THANJAVUR SPINNING MILL LIMITED on which you choose to vote.
- ix) 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.

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- x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolutions.
 - xi) 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.
 - xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - xiii) You can also take out print of the voting done by you clicking on “Click here to Print” option on the Voting page. It need not be sent to the Company.
 - xiv) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha code and click on Forgot Password & enter the details as prompted by the system.
 - xv) Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://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. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on. The list of accounts linked in the login should be mailed to 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.
- D. The facility for remote e-voting shall remain open from 9.00 A.M. on Monday the 6th August, 2018 to 5.00 P.M. on Thursday the 9th August, 2018. During this period, the Members of the Company, holding Shares either in physical form or in dematerialised form, as on the cut-off-date, viz., Friday the 3rd August, 2018, may opt for remote e-voting. Voting shall not be allowed beyond 5.00 PM on 9th August, 2018.
- E. 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 under help section or write an email to helpdesk.evoting@cdslindia.com
- F. The voting rights of Shareholders shall be in proportion to the Shares held by them in the paid up equity Share capital of the Company as on Friday, the 03rd August, 2018.
- G. Shri K. Srinivasan, Chartered Accountant (Membership No:21510), Partner, M/s. M.S. Jagannathan & N. Krishnaswami, Chartered Accountants has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
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- H. The Chairman shall, at the general meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of scrutinizer, by use of ballot or by using an electronic voting system for all those Members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.
- I. The Scrutinizer shall immediately after conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting there after unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorised by him in writing who shall countersign the same and the Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.

By Order of the Board,
For THANJAVUR SPINNING MILL LIMITED,

S. KANTHIMATHINATHAN
Chairman of the Meeting

RAJAPALAYAM,
29th May, 2018.

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STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No 3

Your Directors at their Meeting held on 09-08-2017 announced a plan to dispose of Company's remaining assets i.e assets pertaining to spinning mill machineries installed at "B" Unit including Land and Building. The Company has passed a Special Resolution on 03-11-2017 through Postal Ballot Process for sale of entire land at Thanjavur around 11 Acres, entire "B" unit Building and all movable assets of the Company at Thanjavur.

Proceeds of the sale would be utilized for repayment of Term Loans and Working Capital Loans, redemption of Preference Shares and general business purpose.

The amount of loan outstanding as on 31-03-2018 is given below:

₹ in Crores

S. No.	Bank Name	Type of loan	Outstanding Amount
1	ICICI Bank Limited	Term loan	16.00
2	RBL Bank Limited	Working Capital	2.48
3	Tamilnad Mercantile Bank Limited	Working Capital	4.10
	Total		22.58

During the period from 01-04-2018 to 29-05-2018 the Company has repaid the Term Loan amount of Rs.6.75 Crores and Working Capital amount of Rs. 6.58 Crores, and the loan outstanding as on 29-05-2018 was Rs.9.25 Crores.

The Company is not having adequate profits for redemption of preference shares having face value of Rs.10 each or for payment of Preference dividend. The preference shares can be redeemed and preference dividend can be paid only when the entire land and machineries were sold.

After repayment of Bank loans the surplus amount received from sale of machinery and land may be deposited as Inter Corporate Deposit, where the rate of interest is reasonable as compared to Bank's Deposits rate. Hence the Company proposed to place Inter Corporate Deposits.

Under Section 186 of Companies Act, 2013, it is proposed to get consent of the Members to make Inter Corporate Deposits (ICD) / Investments which are either related parties / non-related parties upto the limit as set out in the Resolution.

The Board of Directors recommends the Resolution to the Members.

Disclosure of Interest:

- (i) None of the Directors and Key Managerial Personnel and their relatives are concerned or interested in this Resolution.
- (ii) In case of Loans / acquisition of Security is to in respect of any Company, which are either related parties or otherwise, the Directors are deemed to be interested to the extent of their shareholding in those beneficiary Companies.

By Order of the Board,
For THANJAVUR SPINNING MILL LIMITED,

S. KANTHIMATHINATHAN
Chairman of the Meeting

RAJAPALAYAM,
29th May, 2018.