



THANJAVUR SPINNING MILL LIMITED

[CIN: U17111TN1961PLC004505]

Registered office: Rajapalayam Mills Premises, P.A.C. Ramasamy Raja Salai, Rajapalayam – 626 117.
Phone No.: 04362-227852 Fax: 04362-226551 E-mail: tsml@ramcotex.com Website: www.thanjavurspinningmill.co.in

Notice of Postal Ballot

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

Dear Members,

- 1) In terms of Section 110(1)(b) of the Companies Act, 2013 (*the Act*), your Company proposes to transact an item of special business by means of a postal ballot, in the manner prescribed under Rule 22 of the Companies (Management and Administration) Rules, 2014 (*the Rules*).
- 2) Approval of the Members under Section 180(1)(a) of the Act, by way of a Special Resolution, is being sought to sell the entire Windmill Division of the Company to Ramco Windfarms Limited at an aggregate fair market value of Rs.21 crores.
- 3) Extracts of the special resolution proposed, together with the Statement of material facts and the Postal Ballot Form are enclosed.
- 4) The Board of Directors have appointed Mr.K.Sriram, Practising Company Secretary, Chennai, who has confirmed his willingness for the appointment, as Scrutiniser to conduct the Postal ballot process in a fair and transparent manner in accordance with the said Rules.
- 5) In terms of Rule 20 of the Rules the Company is providing a facility to the Members to exercise their right to vote on the special resolution by electronic means. Members may participate in the postal ballot process:
 - (a) either by casting their vote on the enclosed postal ballot form and sending the duly completed and signed postal ballot form to:
Mr. K. Sriram,
Scrutiniser, C/o. Thanjavur Spinning Mill Limited,
"Rajapalayam Mills Premises", P.A.C. Ramasamy Raja Salai, Rajapalayam – 626 117.
 - (b) or by casting their vote on the remote e-voting platform provided by Central Depository Services (India) Limited [CDSL].
- 6) The detailed instructions for casting vote on the postal ballot form and for voting on the electronic voting platform of CDSL are enclosed as an Annexure to this notice.
- 7) This notice is being dispatched to the Members whose names appear in the Register of Members / Record of Depositories on Monday, the 22nd February, 2016 (cut-off date) by e-mail to the registered e-mail id of the Members who have registered their e-mail id with the Company / their Depository Participants (for shares held in dematerialised form) and through Registered Post / Courier to the Members who have not registered their e-mail id.
- 8) Members receiving this notice by e-mail, but who wish to cast their vote on the postal ballot form may request the Company for the same.
- 9) Members holding equity shares as on the cut-off date are entitled to exercise their right to vote on the resolution either through physical ballot form or remote e-voting process.
- 10) A postage prepaid reply envelope is enclosed with the physical postal ballot form being sent to the Members, to facilitate the Members to convey their assent or dissent.
- 11) The last date and time for receipt of signed postal ballot forms is Monday, the 28th March, 2016, at 5.30 P.M. Postal ballot forms received after that date and time will not be considered as valid and will be treated as if reply from the Member has not been received.
- 12) Voting through remote e-voting platform of CDSL shall commence from Sunday, the 28th February, 2016, at 9.30 A.M., and end on Monday, the 28th March, 2016, at 5.30 P.M. E-voting will be disabled by CDSL thereafter, and Members will not be allowed to vote through the remote e-voting platform beyond that date and time.
- 13) The results of the Postal ballot process will be declared by way of an announcement at the Registered office of the Company on Tuesday, the 29th March, 2016, at 5.30 P.M., by Shri P. R. Ramasubrahmaneya Rajha, Chairman of the Company, or in his absence by any other Director or Officer authorised by him in writing. Members who wish to be present at the time of declaration of result may be present at the above venue. The results shall then be placed on the Company's notice board at its registered office and on its official website (www.thanjavurspinningmill.co.in), along with the Scrutiniser's report.
- 14) Shri S. Kanthimathinathan, Director, and Shri U. Alagappan, Deputy General Manager - Finance of the Company are authorized to ensure smooth conduct of the Postal Ballot process. Members having any queries, clarifications or grievances connected with the voting by postal ballot (including voting through remote e-voting process) may communicate with either of them at the registered office of the Company or through telephone at 04362-227852 or e-mail at tsml@ramcotex.com

By order of the Board,

RAJAPALAYAM
14-02-2016

For THANJAVUR SPINNING MILL LIMITED
P.R.RAMASUBRAHMANEYA RAJHA
CHAIRMAN

Annexures:

- 1.Extracts of the resolution proposed, with the Statement of material facts.
- 2.Postal Ballot Form along with instructions for casting the vote.
- 3.Postage pre-paid envelope.

Extracts of the Resolution proposed

Special Resolution

SALE OF WIND MILL DIVISION OF THE COMPANY

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

“RESOLVED THAT pursuant to Section 180(1)(a) of the Companies Act, 2013, and subject to the necessary approvals from banks and regulatory authorities, consent of the Members be and is hereby accorded to the Board of Directors to **sell the entire wind mill division** of the Company comprising of 2 Nos. of Enercon make Windmills with a capacity of 0.80 MW each along with windmill land to an extent of 5.00 Acres at Palani Taluk, Dindugul District, and 4 Nos. of Suzlon make Windmills with a capacity of 1.25 MW each along with windmill land to an extent of 8 Acres at Radhapuram Taluk, Tirunelveli District, and the connected movable assets, **to Ramco Windfarms Limited**, at an aggregate fair market value of **Rs.21 crores**.

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 any manner permitted under the Companies Act, 2013, or the Rules made thereunder.”

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The Company is presently operating with a capacity of 21,120 Spindles. Until recently, its power requirement was being met predominantly from the captive generation of its windmill division. Tamil Nadu Government has now lifted the power cut restriction and Tamil Nadu Generation and Distribution Corporation (TANGEDCO) is supplying power to the extent of 100% of the Company's requirement. Power is also available from third parties at competitive prices.

The revenue generation from windmills is not sufficient for repayment or payment of interest on the term loans / corporate loans availed for their installation. It is hence proposed to sell the entire Wind Mill Division of the company consisting of 2 Nos. Enercon make Windmills with a capacity of 0.80 MW each along with windmill land to an extent of 5.00 Acres at Palani Taluk, Dindigul District, and 4 Nos. Suzlon make Windmills with a capacity of 1.25 MW each along with windmill land to the extent of 8 Acres at Radhapuram Taluk, Tirunelveli District, and the connected movable assets.

Based on a Valuation report obtained from M/s. Maharajah Civil Consultancy, Rajapalayam, Independent Chartered Engineer, the Audit Committee and the Board of directors have determined the aggregate fair market value of the windmills and windmill land proposed to be sold as Rs.21 crores. Of all the quotations received by the Company in relation to the sale, Ramco Windfarms Limited has quoted the highest price of Rs.21 crores. It is hence proposed to sell the entire windmill division to Ramco Windfarms Limited at this price.

The Company is holding 2,50,000 Equity Shares of Rs.1/- each (i.e. 2.5% of the paid up capital) in M/s. Ramco Windfarms Limited.

The entire proceeds will be utilized for repayment of Term loan / Corporate loan / Working capital loans availed by the Company from various Banks / Financial Institutions and general corporate purposes.

Sale of a majority of the undertaking requires approval of the Members by way of special resolution under Section 180(1)(a) of the Companies Act, 2013, through postal ballot process.

None of the Directors or their relatives are concerned or interested in the above resolution. Promoters and Directors of the Company do not hold any share in Ramco Windfarms Limited.

The Board of Directors recommends the Resolution to the Shareholders.

All the documents referred to in the accompanying Notice and this Statement will be available for inspection at the Registered office of the Company during working hours on all working days from date of dispatch of the notice, up to the date of last date of voting viz; Monday, the 28th March, 2016.

RAJAPALAYAM
14-02-2016

By order of the Board,
For THANJAVUR SPINNING MILL LIMITED
P.R.RAMASUBRAHMANEYA RAJHA
CHAIRMAN