



THANJAVUR SPINNING MILL LIMITED

CIN: U17111TN1961PLC004505

Registered office: Rajapalayam Mills Premises,
P.A.C. Ramasamy Raja Salai, Rajapalayam – 626 117.

Phone No.: 04563-235666, Fax: 04563-236520

E-mail: tsml@ramcotex.com Website: www.thanjavurspinningmill.co.in

**NOTICE OF THE MEETING OF THE CUMULATIVE OPTIONALLY CONVERTIBLE REDEEMABLE
PREFERENCE SHAREHOLDERS OF THANJAVUR SPINNING MILL LIMITED CONVENED AS
PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL ('NCLT')**

Day	Tuesday
Date	31st March, 2020
Time	12:00 PM
Venue	Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam – 626 117

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, CHENNAI**

FORM NO. CAA 2 (Pursuant to Section 230(3) and Rule 6)
CA/1059/CAA/2019

In the matter of:

Sections 230 to 232 and other applicable
Provisions of the Companies Act, 2013;

And

In the matter of Scheme of Arrangement
between Thanjavur Spinning Mill Limited its Creditors, Equity Shareholders, Cumulative Redeemable
Preference Shareholders and Cumulative Optionally Convertible Redeemable Preference
Shareholders

Thanjavur Spinning Mill Limited
(CIN:U17111TN1961PLC004505)
a Company incorporated under the Indian Companies
Act, 1956, having its Registered Office at
Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam – 626 117;

... Applicant Company

**NOTICE OF THE MEETING OF THE CUMULATIVE OPTIONALLY CONVERTIBLE REDEEMABLE
PREFERENCE SHAREHOLDERS OF THANJAVUR SPINNING MILL LIMITED**

To,

**Cumulative Optionally Convertible Redeemable Preference Shareholders of Thanjavur
Spinning Mill Limited ('TSML' or 'Applicant Company' or 'the Company')**

NOTICE is hereby given that the National Company Law Tribunal, Division Bench, Chennai by its order dated 31-01-2020 and 14-02-2020 has directed to convene the meeting of the Cumulative Optionally Convertible Redeemable Preference Shareholders of the Company for the purpose of considering, and if thought fit, approving with or without modification, the Scheme of Arrangement proposed to be made between the Company and its Creditors, Equity Shareholders, Cumulative Redeemable Preference Shareholders and Cumulative Optionally Convertible Redeemable Preference Shareholders. ('the Scheme').

In pursuance of the said order and as directed therein, further notice is hereby given that a meeting of the Cumulative Optionally Convertible Redeemable Preference Shareholders of the Company is

scheduled to be convened and held at the Registered Office of the Company at Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam – 626 117, on Tuesday, 31st March, 2020 at 12:00 P.M ('Tribunal Convened Meeting' or 'Meeting') at which place, date and time the Cumulative Optionally Convertible Redeemable Preference Shareholders of the Company are requested to attend.

Copies of the Scheme of Arrangement and of the Explanatory Statement, Postal Ballot Form, Instructions for remote e-voting, Proxy and other Annexures under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 can be obtained free of charge within 1 (one) day except (Saturdays, Sundays and Public holiday) on a request being made at the Registered Office of the Company or at the office of its Advocates, Mr. Hari Shankar Mani, Mr. Pawan Jhabakh having office at, New no.115, Luz Church Road, Mylapore, Chennai – 600004 on any working day up to the date of the Tribunal Convened Meeting between 10.00 A.M. and 5.00 P.M.

Cumulative Optionally Convertible Redeemable Preference Shareholders entitled to attend and vote at the meeting may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the Registered Office of the Company at Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam – 626 117, not later than 48 hours before the Meeting.

The Tribunal has appointed Mr. K. Gowtham Kumar, Advocate, and failing him, Mr. S. Kanthimathinathan, Director of the Company to be the Chairman of the Meeting. The above mentioned Scheme, if approved at the Tribunal Convened Meeting, will be subject to the subsequent approval and order of the NCLT.

The quorum for the Tribunal Convened Meeting shall be 1 (one) and in case the quorum is not present at the meeting, then the meeting is adjourned by half an hour and thereafter the person(s) present shall be deemed to constitute quorum.

The following Resolution is proposed under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof for the time being in force), and the provisions of the Memorandum of Association and Articles of Association of the Company, for the purpose of considering, and if thought fit, approving, the Scheme:

“RESOLVED that pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended from time to time, the Memorandum and Articles of Association of the Company and subject to the approval of the Chennai Bench of the Hon'ble National Company Law Tribunal (hereinafter collectively referred to as “the Tribunal”) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may

be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more Committee(s) constituted/ to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the proposed Scheme of Arrangement between Thanjavur Spinning Mill Limited and its Creditors, Equity Shareholders, Cumulative Redeemable Preference Shareholders and Cumulative Optionally Convertible Redeemable Preference Shareholders ("Scheme") placed before this meeting be and is hereby approved."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

Sd/-

Mr. K. Gowtham Kumar

Chairman appointed for the Meeting

Dated this 25th day of February, 2020 at Chennai

Notes:

1. Only registered Cumulative Optionally Convertible Redeemable Preference Shareholders of the Company may attend and vote (either in person or by Proxy) at the Meeting. A registered Cumulative Optionally Convertible Redeemable Preference Shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote on his/her behalf and such Proxy need not be a member of the Company.
2. In accordance with Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the instrument of Proxy in order to be effective, must be in the prescribed form and should be duly signed by the person entitled to attend and vote at the aforesaid meeting or by his authorised representative and filed with the Company at its Registered Office, not later than 48 hours before the commencement of the Meeting.
3. A person can act as a Proxy on behalf of Cumulative Optionally Convertible Redeemable Preference Shareholders not exceeding fifty and holding in the aggregate not more than ten percent of the total cumulative optionally convertible redeemable preference share capital of the Company carrying voting rights. A Cumulative Optionally Convertible Redeemable Preference Shareholder holding more than ten percent of the total cumulative optionally convertible redeemable preference share capital of the Company may appoint a single person

as Proxy and such person shall not act as a Proxy for any other Cumulative Optionally Convertible Redeemable Preference Shareholder.

4. The authorised representative of a Body Corporate which is a registered Cumulative Optionally Convertible Redeemable Preference Shareholder of the Company may attend and vote at the Meeting, provided a certified copy of the resolution of the Board of Directors or other governing body of such Body Corporate, authorising such representative to attend and vote at the Meeting on behalf of such Body Corporate is deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting. Further, the authorised representative and any persons voting by Proxy are requested to carry a copy of valid proof of identity at the Meeting.
5. Registered Cumulative Optionally Convertible Redeemable Preference Shareholders are informed that in case of joint holders attending the Meeting, only such joint holder whose name appears first in the Register of Members of the Company in respect of such joint holding, will be entitled to vote.
6. The quorum for the Tribunal Convened Meeting shall be 1 (one) and in case the quorum is not present at the meeting, then the meeting is adjourned by half an hour and thereafter the person(s) present shall be deemed to constitute quorum.
7. The Notice, together with the documents accompanying the same, is being sent to all the Cumulative Optionally Convertible Redeemable Preference Shareholders by permitted mode whose names appear in the Register of Members as on 25-02-2020 and a person who is not a Cumulative Optionally Convertible Redeemable Preference Shareholders on such date should treat the Notice for information purposes only. The voting rights of a Cumulative Optionally Convertible Redeemable Preference Shareholder shall be in proportion to such Cumulative Optionally Convertible Redeemable Preference Shareholder's shareholding as on 25-02-2020.
8. All documents referred to in the Notice and Explanatory Statement will be available for inspection at the Company's Registered Office between 10:00 A.M. and 5:00 P.M. on any working days till the date of the Meeting.
9. In compliance with Sections 108, 110, 230 of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, the Company has provided the facility to the Cumulative Optionally Convertible Redeemable Preference Shareholders to exercise their votes on resolution proposed to be considered at the meeting either by remote e-voting (by using the electronic voting system provided by Central Depository Services (India) Limited) (or) Physical Postal Ballot (or) Physical Ballot at the meeting venue.

10. The Tribunal vide its Orders dated 31st January, 2020 and 14th February, 2020 has appointed Ms. Geetha Sridhar, Practising Company Secretary as the Scrutinizer to scrutinize the e-voting / postal ballot process / voting at the venue of the meeting through physical ballot in a fair and transparent manner.
11. The remote e-voting period will commence at 9:00 A.M. on 01-03-2020 and will end at 5:00 P.M. on 30-03-2020. During the remote e-voting period, Cumulative Optionally Convertible Redeemable Preference Shareholders of the Company holding shares in physical form, as on 25-02-2020, may cast their vote electronically. The remote e-voting module shall be disabled for voting on 30-03-2020 at 5.00 P.M. It is clarified that casting of votes by remote e-voting does not disentitle a Cumulative Optionally Convertible Redeemable Preference Shareholders from attending the Tribunal Convened Meeting however any Cumulative Optionally Convertible Redeemable Preference Shareholder who has voted by remote e-voting cannot vote at the venue of the Tribunal Convened Meeting. Once the vote on the resolution is cast by a Cumulative Optionally Convertible Redeemable Preference Shareholders by way of remote e-voting, he or she will not be allowed to change it subsequently.
12. It may be noted that the facility of voting through physical ballot will also be provided at the Meeting and Cumulative Optionally Convertible Redeemable Preference Shareholders attending the Meeting who have not cast their vote through remote e-voting (or) through Physical Ballot shall be entitled to exercise their vote at the venue of the Meeting.
13. The Notice convening the aforesaid Tribunal Convened Meeting will be published through advertisement in Business Line (all editions) in English Language and Malai Chudra (Tamil Nadu Edition) in Vernacular Language indicating the day, date, place and time of the Meeting and stating that the copies of the Scheme of Arrangement and of the Explanatory Statement, Postal Ballot Form, Instructions for remote e-voting, Proxy and other Annexures required to be furnished pursuant to Sections 230 to 232 of the Companies Act, 2013 shall be provided free of charge within 1 (one) day except (Saturdays, Sundays and Public holiday) on a request being made at the Registered Office of the Company or at the office of its Advocates, Mr. Hari Shankar Mani, Mr. Pawan Jhabakh having office at, New no.115, Luz Church Road, Mylapore, Chennai – 600004 on any working day up to the date of the Tribunal Convened Meeting between 10.00 A.M. and 5.00 P.M.
14. Instructions for E-Voting Facility

E-voting facility is being provided to the Cumulative Optionally Convertible Redeemable Preference Shareholders as required under Section 108, 230 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. For this purpose, the company has arranged e-voting facility through Central Depository Services (India) Limited ('CDSL').

Cumulative Optionally Convertible Redeemable Preference Shareholders have the option either to vote through the e-voting platform or through the Postal Ballot Form. If a Cumulative Optionally Convertible Redeemable Preference Shareholder opts for e-voting, then he/she should not vote by Postal Ballot and vice-versa. However, in case Cumulative Optionally Convertible Redeemable Preference Shareholders cast their vote both via physical ballot and e-voting, then voting through e-voting shall prevail and voting done through physical ballot shall be treated as invalid.

Instructions to the Cumulative Optionally Convertible Redeemable Preference Shareholders for voting electronically are as under:-

A. In case of Cumulative Optionally Convertible Redeemable Preference Shareholders receiving notice of the Tribunal convened meeting by e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now Select the "THANJAVUR SPINNING MILL LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Enter your User ID as given below :
 - Cumulative Optionally Convertible Redeemable Preference Shareholders holding shares in Physical form should enter Folio Number registered with the company
- (v) Next enter the Captcha code as displayed and click on login.
- (vi) PASSWORD
 - Follow the steps given below:
 - (a) Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department

Cumulative Optionally Convertible Redeemable Preference Shareholders who have not updated their PAN with the Company are requested to use the first two letters of their name and the 8 digits of the Folio No. in the PAN field.

In case the Folio number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL Letters. Eg. if your name is Ramesh Kumar with Folio number 1, then enter RA00000001 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 the company records for the said folio in dd/mm/yyyy format.

Dividend Bank details: Enter the Dividend Bank details as recorded in the company records for the said or folio.

If both the details are not recorded with the company, please enter the folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Cumulative Optionally Convertible Redeemable Preference Shareholders holding shares in physical form will then directly reach the "Company selection" screen.
- (ix) For Cumulative Optionally Convertible Redeemable Preference Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the relevant EVSN for "Thanjavur Spinning Mill Limited" on which you choose to vote.
- (xi) 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.
- (xii) Click on the "Resolutions File" link if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page. It need not be sent to the Company.
- (xvi) Non-Individual Cumulative Optionally Convertible Redeemable Preference Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- B. In case of Cumulative Optionally Convertible Redeemable Preference Shareholders receiving Notice of Tribunal Convened Meeting in physical form:

Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.

- C. 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.

15. Instructions for Postal Ballot

Cumulative Optionally Convertible Redeemable Preference Shareholders desirous of availing the postal ballot facility are requested to carefully read the instructions printed on the enclosed postal ballot form and return the form duly completed with assent (FOR) or dissent (AGAINST), in the enclosed postage pre-paid envelope, so as to reach the Scrutinizer on or before 30-03-2020 at Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam – 626 117.

Cumulative Optionally Convertible Redeemable Preference Shareholders who have received the notice by email and who wish to vote through postal ballot, can download the postal ballot form from the Company's website at <http://www.thanjavurspinningmill.co.in>. In case a Cumulative Optionally Convertible Redeemable Preference Shareholder is desirous of obtaining a printed duplicate postal ballot form, he or she may send an email to the Company at tsml@ramcotex.com. The Company shall forward the same along with postage prepaid envelope to the Cumulative Optionally Convertible Redeemable Preference Shareholder.

16. Voting at the Meeting venue

Cumulative Optionally Convertible Redeemable Preference Shareholders or their Proxies who are present at the Tribunal Convened Meeting, but have not cast their votes by availing the remote e-voting facility or physical postal ballot, would be entitled to vote on the resolution, by way of physical ballot.

17. Declaration of results on the Resolution

The Scrutinizer shall, immediately after and not later than 3 (three) days from conclusion of the meeting, make a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution and invalid votes, if any, to the Chairman of the meeting or a person authorized by him in writing who shall countersign the same.

The result of the voting shall be announced by the Chairman of the meeting or a person authorized by him in writing on or before 03-04-2020 at 6:00 PM, upon receipt of the Scrutinizer's Report. The results announced, along with the Scrutinizer's Report, shall be placed on the Company's website at <http://www.thanjavurspinningmill.co.in> and on the website of CDSL at www.evotingindia.com immediately after declaration. The results shall also be displayed on the Notice Board at the registered office of the Company.

Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the meeting i.e. on 31st March, 2020.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

DIVISION BENCH, CHENNAI

(Pursuant to Section 230(3) and Rule 6)

CA/1059/CAA/2019

In the matter of:

Sections 230 to 232 and other applicable
Provisions of the Companies Act, 2013;

And

In the matter of Scheme of Arrangement
between Thanjavur Spinning Mill Limited its Creditors, Equity Shareholders, Cumulative Redeemable
Preference Shareholders and Cumulative Optionally Convertible Redeemable Preference
Shareholders

Thanjavur Spinning Mill Limited
(CIN:U17111TN1961PLC004505)

a Company incorporated under the Indian Companies
Act, 1956, having its Registered Office at

Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam – 626 117;

... Applicant Company

**STATEMENT UNDER SECTION 230 (3) AND SECTION 102 OF THE COMPANIES ACT, 2013
READ WITH RULE 6(3) OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND
AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE TRIBUNAL CONVENED MEETING
OF THANJAVUR SPINNING MILL LIMITED CONVENED AS PER THE DIRECTIONS OF THE
NATIONAL COMPANY LAW TRIBUNAL, DIVISION BENCH, CHENNAI**

In this Statement, Thanjavur Spinning Mill Limited is hereinafter referred to as 'TSML' or 'the Applicant Company' or 'the Company'. The other definitions viz., Appointed date, Effective date etc., contained in the Scheme will apply to this Statement also. The following Statement as required under Section 230 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 sets forth the details of the proposed Scheme, its effects and in particular, any material interests of the Directors, Promoters, Key Managerial Personnel with reference to the proposed Scheme of Arrangement.

1. Pursuant to the orders dated 31st January, 2020 and 14th February, 2020 passed by the Chennai Bench of the National Company Law Tribunal ("NCLT") in the abovementioned

Company Scheme Application No. CA/1059/CAA/2019 (“Order”), a meeting of the Cumulative Optionally Convertible Redeemable Preference Shareholders of the Company is scheduled to be convened and held at the Registered Office of the Company at Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam – 626 117, on Tuesday, 31st March, 2020 at 12:00 P.M (‘Tribunal Convened Meeting’ or ‘Meeting’) for the purpose of considering, and if thought fit, approving, the Scheme of Arrangement proposed between the Company and its Creditors, Equity Shareholders, Cumulative Redeemable Preference Shareholder and Cumulative Optionally Convertible Redeemable Preference Shareholders. (‘the Scheme’).

2. The proposed Scheme was placed before the Audit Committee of the Company at its meeting held on 27th May, 2019, the Audit Committee approved and recommended the Scheme to the Board of Directors of the Company.
3. The Board of Directors of the Company, at their meeting held on 28th May, 2019, took into account the Valuation Report, approved the Scheme, subject to the approval of Equity Shareholders, Creditors, Cumulative Redeemable Preference Shareholder and Cumulative Optionally Convertible Redeemable Preference Shareholders of the Company. A copy of the Scheme which has been, inter alia, approved by the Audit Committee at its meeting held on 27th May, 2019 and the Board of Directors of the Company at its meetings held on 28th May, 2019 is enclosed.
4. The Company through this Scheme of Arrangement proposes to reduce the issued, subscribed and paid up capital of the Company held by the shareholders which shall be subject to the Election Option exercised by the shareholders of the Company as provided in the scheme. Upon the reduction and cancellation of the said paid up capital of the Company subject to the Election Option, each of the shareholders shall receive an amount of Rs.10/- for every equity share held in the Company. The equity shareholders shall have an option of exiting the Company by receiving cash payment at the price of Rs.10/- for every equity share held pursuant to the Scheme. If the shareholders desire to choose the exit option by receiving cash payment, the said shareholders would have to communicate his/her intention of “exit option” on or before 31-03-2020 as directed by the Tribunal under section 230 of the Act. In event of the shareholders opting for retaining of their holdings or failing to communicate either of the options, it shall be deemed that the Shareholders wish to retain their equity shares in the Company. The Cash Payment made by the Company to the equity shareholders who opted for “exit option” shall be considered as the full and final settlement for the investment made by the shareholders and there shall be no further claims or dues payable by the Company.

5. Further, through this Scheme the Company propose to Redeem the Cumulative Redeemable Preference Shares and the Cumulative Optionally Convertible Redeemable Preference Shares and payment of outstanding Preference Dividend to the Preference Shareholders in accordance with the terms of issue without creating Capital Redemption Reserve Account.
6. In terms of the said Order, the quorum for the Tribunal Convened Meeting shall be 1 (one) and in case the quorum is not present at the meeting, then the meeting is adjourned by half an hour and thereafter the persons present shall be deemed to constitute quorum. Further, in terms of the said Order, the Tribunal has appointed Mr. K. Gowtham Kumar, Advocate, and failing him, Mr. S. Kanthimathinathan, Director of the Company to be the Chairman of the Meeting.
7. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme of Arrangement shall be considered approved only if the Scheme is approved by majority of persons representing three-fourth in value of the Equity Shareholders, Cumulative Redeemable Preference Shareholders and Cumulative Optionally Convertible Redeemable Preference Shareholders and Unsecured Creditors, of the Company, voting in person or by proxy or Postal Ballot or by remote e-voting.
8. The Scheme of Arrangement shall be treated as part and parcel of this explanatory statement.
9. Financial highlights of the Company as at 31-03-2019 are given below:

Particulars	Rs. in Crores
BALANCE SHEET HIGHLIGHTS	
Non-current Assets	32.82
Current Assets	3.57
Total Assets (A)	36.39
Share Capital	29.70
Reserves and Surplus	3.37
Current Liabilities	3.32
Total Equity & Liabilities (B)	36.39
PROFIT & LOSS ACCOUNT HIGHLIGHTS	
Total Revenue	3.04
Total Expenses	3.25
Profit / (Loss) Before Exceptional and Extraordinary items and tax	(0.21)
Profit on Sale of assets relating to Discontinuing Operations	55.84
Profit from Discontinued operations before tax	55.63
Total Tax Expense	10.07
Profit from Discontinued operations after tax	45.56

10. Details as per Rule 6(3) of The Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 are given below:

- i) Details of the Order of the NCLT directing the calling, convening and conducting of the Meeting:

Please refer to paragraph no. 1 of this Explanatory Statement for date of the Order and the date, time and venue of the Tribunal Convened Meeting.

- ii) Details of the Company

Corporate Identification Number	U17111TN1961PLC004505
Permanent Account Number	AAACT3379C
Name of the Company	THANJAVUR SPINNING MILL LIMITED
Date of incorporation	09-06-1961
Type of Company	Public Limited Company
Registered office address and e-mail address	“Rajapalayam Mills Premises” P.A.C. Ramasamy Raja Salai, Rajapalayam – 626 117. Mail ID:tsml@ramcotex.com
Name of the Stock Exchange(s) where securities of Company are listed	Not Applicable

- iii) Summary of the main objects as per the Memorandum of Association and main business carried on by the Company

III (A) the main objects to be pursued by the company on its incorporation are:-

“To carry on the business of manufacturing, bleaching, dyeing, printing, selling yam, cloth and other fabrics made from raw cotton, jute, wool and other suitable materials; and generally to carry on the business of Cotton Spinning and Weaving Mill proprietors in all their branches.”

- iv) Details of change of name, registered office and objects of the Company during the last five years

There has been no change in the name, registered office, and objects of the Company during the last five years.

- v) Details of the capital structure of the Company including Authorised, Issued, Subscribed and Paid up Share Capital

The Capital Structure of the Company as on 31st March 2019 is as below:

Authorised Capital	In Rs.
70,00,000 Equity Shares of Rs. 10/-each	7,00,00,000
2,50,00,000 9% Cumulative Redeemable Preference Shares of Rs. 10/-each	25,00,00,000
40,00,000 9% Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/-each	4,00,00,000
TOTAL	36,00,00,000

Issued, Subscribed & Paid up Capital	In Rs.
27,00,000 Equity Shares of Rs. 10/-each	2,70,00,000
2,50,00,000 9% Cumulative Redeemable Preference Shares of Rs. 10/-each	25,00,00,000
20,00,000 9% Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/-each	2,00,00,000
TOTAL	29,70,00,000

Subsequent to 31st March 2019, the capital structure of the Company has not been changed or altered.

vi) Details of the Promoters and Directors along with their addresses

The details of the promoters of the Company as on date are as below:

S.No.	Name of the Promoter	Address	No. of Shares	% of Shares
1	SMT.SARADHA DEEPA	DOOR NO 39/17 BISHOP GARDEN, R.A.PURAM, CHENNAI-600 028	3,89,891	14.44
2	SMT.NALINA RAMALAKSHMI	RAMAMANDIRAM, TENKASI ROAD, RAJAPALAYAM-626 117	3,89,891	14.44
3	SMT.R SUDARSANAM	RAMAMANDIRAM, TENKASI ROAD, RAJAPALAYAM-626 117	2,69,584	9.98
4	SHRI P.R. VENKETRAMA RAJA	DOOR NO 142 SANTHOME HIGH ROAD R.A.PURAM, CHENNAI-600 028	1,73,891	6.44
5	SHRI K.R. TIRUVENGADAM	OLD NO.28, NEW NO.63 II MAIN ROAD, GANDHI NAGAR, ADYAR, CHENNAI - 600 020.	72,400	2.68
6	Dr.K.TIRUVENGADA KRISHNAN	NEW 8 OLD 86 SECOND MAIN ROAD GANDHI NAGAR, ADYAR, CHENNAI - 600 020.	40,487	1.50
7	SMT.ANNAPOORANI KRISHNAN	NEW 8 OLD 86 SECOND MAIN ROAD GANDHI NAGAR, ADYAR, CHENNAI - 600 020.	43,143	1.60
8	SHRI K.T. KALYANAKRISHNAN	OLD NO. 90, FOURTH STREET, ABHIRAMAPURAM, CHENNAI-600 018	35,144	1.30
9	SMT.K.UMAMAHESWARI	NEW 8 OLD 86 SECOND MAIN ROAD GANDHI NAGAR, ADYAR, CHENNAI - 600 020.	30,685	1.14
10	SHRI KRISHNASAMY KUMARAN	NO 22 SUBBURAJ NAGAR 9TH STREET BODINAICKYANUR-625 513	27,000	1.00
11	SMT.K.PADMAVATHY	NEW 8 OLD 86 SECOND MAIN ROAD GANDHI NAGAR, ADYAR, CHENNAI - 600 020.	23,085	0.86

S.No.	Name of the Promoter	Address	No. of Shares	% of Shares
12	SHRI K.S. KRISHNA KUMAR	PARASAKTHI 19 SATYANARYANA AVENUE OLD 7/A BOAT CLUB ROAD, R.A. PURAM, CHENNAI - 600 028.	20,000	0.74
13	SMT.VEERALAKSHMI V	D NO 93 WARD 3 WEST RAJA STREET BODINAICKYANUR-625 513	9,000	0.33
14	SMT.MEENAKSHI KALYANAKRISHNAN	NEW NO. 53, OLD NO. 90, FOURTH STREET, ABHIRAMAPURAM, CHENNAI-600 018	6,000	0.22
15	SMT.K.R. RUKMANI	ANUGRAHAM, OLD NO.12, TIRUVENGADAM STREET, KASTURBHA NAGAR, ADYAR, CHENNAI-600 020.	4,222	0.16
16	SMT.K.R. VAISHNAVI	ANUGRAHAM, OLD NO.12, TIRUVENGADAM STREET, KASTURBHA NAGAR, ADYAR, CHENNAI-600 020.	4,222	0.16
17	SMT.K.R. SAKUNTALA DEVI	ANUGRAHAM, OLD NO.12, TIRUVENGADAM STREET, KASTURBHA NAGAR, ADYAR, CHENNAI-600 020.	4,222	0.16
18	SHRI K.T. RAMACHANDRAN	ANUGRAHAM, OLD NO.12, TIRUVENGADAM STREET, KASTURBHA NAGAR, ADYAR, CHENNAI-600 020.	4,078	0.15
19	SHRI S.KRISHNASWAMY KAMAYA NAICKER	B-69,THIRUNAGAR MADURAI-625 006	4,000	0.15
20	SMT.S. JALAJA AMMAL	51 BIG BAZAAR STREET, MANNARGUDI-614 001	2,000	0.07
21	SHRI R. SIVASUBRAMANIAN	51 BIG BAZAAR STREET, MANNARGUDI-614 001	2,000	0.07
22	SHRI K.T. SRINIVASAN	OLD NO 3/35 NEW NO 3/84 ANDANKARAI POST VIA PONNIRAI THIRUTHURAIPOONDI TALUK THIRUVARUR DIST ALIVALAM - 610 203	2,224	0.08
23	SMT.R. CHITTAMMAL	RAMAMANDIRAM, TENKASI ROAD, RAJAPALAYAM-626 117	1,422	0.05
24	SHRI K. RAGUVIR	NEW 19, OLD -7 A SATHYA NARAYANA AVENUE BOAT CLUB ROAD, R.A.PURAM CHENNAI - 600 028.	1,200	0.04
25	SHRI K. SANTHANA KRISHNAN	OLD NO.7A, NEW NO.19 SATHYA NARAYANA AVENUE BOAT CLUB ROAD, R.A.PURAM CHENNAI - 600 028	1,100	0.04
26	SHRI S.S. RAMACHANDRA RAJA	RAMABHAVANAM RAJAPALAYAM-626 117	1,000	0.04

S.No.	Name of the Promoter	Address	No. of Shares	% of Shares
27	MINOR K.T. HARINI BY F&G.Dr.K.TIRUVENGADA KRISHNAN	NEW 8 OLD 86 SECOND MAIN ROAD GANDHI NAGAR, ADYAR, CHENNAI - 600 020.	1,000	0.04
28	MINOR K.T.HARSSHINI BY F&G.Dr.K.TIRUVENGADA KRISHNAN	NEW 8 OLD 86 SECOND MAIN ROAD GANDHI NAGAR, ADYAR, CHENNAI - 600 020.	1,000	0.04
29	Ms. P.P.HASINI	NEW 8 OLD 86 SECOND MAIN ROAD GANDHI NAGAR, ADYAR, CHENNAI - 600 020.	1,000	0.04
30	SHRI N.R.K. RAMKUMAR RAJA	SRI BHAVANAM, No.102, P.S.K.NAGAR, RAJAPALAYAM-626 108	400	0.01
TOTAL			15,65,291	57.97

The details of the Directors of the Company as on date are as below:

S.NO	Name of the Director	Address
1	Shri.S.Kanthimathinathan	No.7, Jubilee Road, Ilanji Post, Tenkasi Taluk, Kuthukalvalasai, Tirunelveli Dt. 627805
2	Shri.P.A.S.Krishnama Raja	50, P.S.K. Nagar, Rajapalayam – 626108
3	Shri. P.J. Ramkumar Rajha	D.NO. 90A 1/1,P.S.K .Nagar, Rajapalayam - 626117

- vii) If the scheme of compromise or arrangement relates to more than one Company, the fact and details of any relationship subsisting between such companies who are parties to such scheme of compromise or arrangement, including holding, subsidiary or of associate companies:

This scheme of compromise or arrangement is not related to more than one Company

- viii) The date of the Board Meeting of the Company at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

Details of the Directors and their votes for the resolution passed at the meeting of the Board of Directors of the Company on 28-05-2019 are as follows:

S.No	Name of the Director	Voted in favour / against / abstain
1	Shri.S.Kanthimathinathan	Voted in favour
2	Shri.P.A.S.Krishnama Raja	Voted in favour
3	Shri. P.J. Ramkumar Rajha	Voted in favour

ix) Amounts due to unsecured creditors

As on 31st March, 2019, the Company has 1 (one) unsecured creditor and amount due to such unsecured creditor was Rs. 1,93,79,241 /- (Rupees One Crore Ninety Three Lakhs seventy nine thousand and Two Forty One Only).

x) Parties involved in the Compromise or Arrangement

1,214 Nos. Equity Shareholders holding 27,00,000 Nos. of Equity Shares of Rs.10/- each as on 31-03-2019.

1 No. of Unsecured Creditor as below:

Name	Address	Amount in Rs.
Langval Promoters	Plot No.8A, Deputy Collector Colony, 7 th Street, Apollo Hospital Road, K.K. Nagar, Madurai – 625 020	1,93,79,241

1 No. of Preference Shareholder holding 2,50,00,000 Nos. of 9% Cumulative Redeemable Preference Shares of Rs.10/- each as below:

Name	Address	No. of Shares
Rajapalayam Mills Limited	Post Box No.1, P.A.C. Ramasamy Raja Salai, Rajapalayam-626 117	2,50,00,000

4 Nos. of Preference Shareholders holding 20,00,000 Nos. of 9% Cumulative Optionally Convertible Redeemable Preference Shares of Rs.10/- each as below:

Name	Address	No. of Shares
Smt. R. Sudarsanam	“Ramamandiram”, 1616/642, Tenkasi Road, Rajapalayam–626 117	5,00,000
Shri P.R. Venketrama Raja	142, Santhome High Road, Raja Annamalaipuram, Chennai-600 028	5,00,000
Smt.R.Nalina Ramalakshmi	“Ramamandiram”, 1616/642, Tenkasi Road, Rajapalayam–626 117	5,00,000
Smt.Saradha Deepa	Door no 39/17 Bishop Garden, R.A.Puram, Chennai-600 028	5,00,000

xi) None of the Directors, the Key Managerial Personnel (as defined under the Companies Act and Rules formed thereunder) of the Company and their respective Relatives (as defined under the Companies Act and rules formed thereunder) have any interests, financial or otherwise in the Scheme except to the extent of their respective shareholding in the Company. The effect of the Scheme on the material

interests of the Directors, Key Managerial Personnel and their respective relatives, is not any different from the effect on other shareholders of the Company. The details of the shareholding of Directors, Key Managerial Personnel and their respective relatives as on 31st March, 2019 is as follows:

Name	No.of Shares
Shri.S.Kanthimathinathan, Director	NIL
Shri.P.A.S.Krishnama Raja, Director	NIL
Shri. P.J. Ramkumar Rajha, Director	NIL
Shri S. Muthusamy, CEO	NIL
Shri G Ramachandran, CFO	NIL

xii) Disclosure about the effect of the Scheme including material interest on the following persons:

a) Equity Shareholders / Non Promoter Members

Upon the Scheme becoming effective, the Equity Shareholders of the Company shall have the option either to exit the Company by receiving cash payment or retaining their equity shares with the Company. The Shareholders who have exercised exit option under this scheme shall be entitled to Rs.10/- for every equity share held by them in the Company. The Cash Payment made by the Company shall be considered as the full and final settlement for the investment made by the shareholders and there shall be no further claims or dues payable by the Company to the shareholders. Shareholder shall notify his intention either to exit the Company by receiving cash payment or retain the Equity Shares with the Company. In case of non-receipt of notification, it shall be deemed that the Shareholder has opted to retain the shares in the Company.

b) Promoters

Please refer to point (a) above for details regarding the effect on Promoters who are also the Equity shareholders.

The interest of the Promoters of the Company shall not be impacted in any manner.

c) Key Managerial Personnel (“KMPs”)

The interest of the KMPs of the Company shall not be impacted in any manner.

d) Director(s)

The interest of the Directors of the Company shall not be impacted in any manner.

e) Employees

Under the Scheme, no rights of the staff and employees of the Company are being affected.

f) Creditors

The interest of the creditors of the Company shall not be impacted in any manner.

g) Depositors

Not Applicable. The Company does not have any Depositors.

h) Debenture holders / Debenture trustee

Not Applicable. The Company does not have any Debenture holders / Debenture trustee.

i) Deposit Trustee

Not Applicable. The Company does not have any Deposit Trustee.

j) Cumulative Redeemable Preference Shareholder

Upon the Scheme becoming effective, the Company will Redeem the Cumulative Redeemable Preference Shares and pay the outstanding Preference Dividend, if any in accordance with the terms of issue without creating Capital Redemption Reserve Account.

k) Cumulative Optionally Convertible Redeemable Preference Shareholder

Upon the Scheme becoming effective, the Company will Redeem the Cumulative Optionally Convertible Redeemable Preference Shares and pay the outstanding Preference Dividend, if any in accordance with the terms of issue without creating Capital Redemption Reserve Account.

xiii) Investigations or proceedings, if any, pending against the Company under the Act:

No investigation proceedings are pending under the provisions of Chapter XIV of the Companies Act, 2013 in respect of the Company.

xiv) Summary of the Valuation Report

The Valuation Report dated 28th May, 2019 was issued by Mr. V Suresh, Registered Valuer (IBBI Reg #: IBBI/RV/03/2018/10482) (appointed by the Company), describing inter alia the computation of and the methodology adopted by him in arriving at the Fair Share Value of Equity Share of Thanjavur Spinning Mill Limited in the context of providing an Exit Opportunity to its Equity Shareholders consequent to the Scheme.

The valuer has considered various approaches viz., Income Approach, Market Approach and Cost Approach for determining the fair value of the shares of the Company for providing Exit Opportunity to the Equity Shareholders consequent to the Scheme.

However, considering the intention of the Board of Directors of the Company, having sold its entire assets throughout the years with the approvals of its Shareholders and the textile industry not being lucrative/viable for further growth or investments, the Company proposes to implement the present Scheme of Arrangement with an intention to provide a return to its shareholders, the valuers are of the opinion that valuation based on Cost Approach is more relevant.

The recommendation of the fair value has been approved by the Audit Committee and Board of Directors of the Company.

xv) Detail of debt restructuring:

There shall be no debt restructuring of the Company pursuant to the Scheme.

xvi) Rationale of the Scheme of Arrangement, and the benefit of the Scheme as perceived by the Board of Directors of the Company

The Board of Directors of the Company believe that the Company having sold its entire assets throughout the years with the approvals of its Shareholders and the textile industry not being lucrative/viable for further growth or investments, the Company proposes to implement the present Scheme of Arrangement with an intention to provide a return to its shareholders.

The Company proposes a restructuring exercise under the Scheme of Arrangement wherein it is desirous of providing a liquidity option to the shareholders of the Company by structuring an exit option for all the equity shareholders at a value of Rs.10/- for every equity share held in the Company. This value has been determined by the Registered Valuer appointed in accordance with Section 247 of the Act read with rules prescribed there under.

The Board of Directors of the Company under the present Scheme of Arrangement propose to provide an exit route to the shareholders who are vested with the option of either holding their investments in the Company or exercise the option of exiting the Company at the price of Rs.10/- for every equity share held in the Company under the Scheme.

Apart from providing such an option to the equity shareholders, the Company also proposed under the Scheme of Arrangement to redeem the Cumulative Redeemable

Preference Shares and the Cumulative Optionally Convertible Redeemable Preference Shares and payment of outstanding Preference Dividend to Preference shareholders in accordance with the terms of issuance of such Preference Shares, without creating Capital Redemption Reserve Account.

In essence, the Company through the surplus funds available in its books is providing value and exit to all classes of shareholders under the Scheme of Arrangement.

- xvii) Details of approvals, sanctions or no-objection(s) from regulatory or any other governmental authorities in relation to the Scheme

The Scheme was filed by the Company with the Chennai Bench of the NCLT on 26th July, 2019 and the Chennai Bench of NCLT has given directions to convene Meetings(s) vide its orders dated 31-01-2020 and 14-02-2020.

The Scheme is subject to approval by majority of persons representing three-fourth in value of the Equity Shareholders, Cumulative Redeemable Preference Shareholders and Cumulative Optionally Convertible Redeemable Preference Shareholders and Unsecured Creditors, of the Company, voting in person or by proxy or Postal Ballot or remote e-voting, in terms of Sections 230-232 of the Companies Act, 2013 and will be subject to the final approval and order of the NCLT.

- xviii) Details of availability of the following documents for obtaining extracts from or making or obtaining copies

The following documents will be available for obtaining extract from or for making or obtaining copies of or for inspection by the Equity Shareholders, Cumulative Redeemable Preference Shareholders, Cumulative Optionally Convertible Redeemable Preference Shareholders and creditors of the Company at its Registered Office at Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam 626 117 between 10.00 A.M. and 5.00 P.M. on any working day up to the date of the Meeting:

- Certified copy of the order passed by the Hon'ble Chennai Bench of the NCLT in Company Scheme Application no. CA/1059/CAA/2019 dated 31st January, 2020 and 14th February, 2020, directing the Company to convene the Tribunal Convened Meeting;
- Copy of the Scheme;
- Copies of the Memorandum of Association and Articles of Association of the Company
- Copies of the latest audited financial statements for the year ended 31st March, 2019 of the Company
- Register of Directors and Key Managerial Personnel and their Shareholding of the Company

- Valuation Report dated 28th May, 2019 issued to the Company by V. Suresh, Registered Valuer, (IBBI Reg #: IBBI/RV/03/2018/10482).
- Copy of the Audit Committee recommendation dated 27th May, 2019 of the Company approving the Scheme;
- Copy of the Board resolution dated 28th May, 2019 of the Company approving the Scheme
- The certificate issued by Auditor of the Company to the effect that the accounting treatment, if any, proposed in the Scheme of Arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Act;

The rights and interests of the Equity shareholders, Cumulative Redeemable Preference Shareholders, Cumulative Optionally Convertible Redeemable Preference Shareholders, secured or unsecured creditors and employees of the Company will not be prejudicially affected or altered by the Scheme as no sacrifice or waiver is called for from them nor their rights sought to be modified in any manner whatsoever.

Considering the rationale and benefits, the Board of Directors of the Company recommends the Scheme for approval of the shareholders as it is in the best interest of the Company and its stakeholders.

Chennai.
25-02-2020

Sd/-
Mr. K. Gowtham Kumar
Chairman appointed for the Meeting

SCHEME OF ARRANGEMENT
BETWEEN
THANJAVUR SPINNING MILL LIMITED
AND
THEIR SHAREHOLDERS

(Under Section 230 to 232 and other application provisions of the Companies Act, 2013)

PART I – PREAMBLE

- 1.1 **THANJAVUR SPINNING MILL LIMITED** (hereinafter referred to as “**Company**”), company was incorporated 9th June 1961 as a public limited company under the name and style of “Thanjavur Textiles Limited under the Companies Act, 1956 (“**Act**”) in the state of Tamil Nadu. After obtaining due approvals, the name of the company was changed to its present name, “Thanjavur Spinning Mill Limited”. The registered office of the Company is situated at Rajapalayam Mills Premises, P.A.C Ramasamy Raja Salai, Rajapalyam, 626 117, Tamil Nadu. The Company was engaged in business of manufacture and sale of cotton yarn. (“**Business of the Company**”).
- 1.2 The Company having sold its significant assets throughout the years with the approvals of its stakeholders and the textile industry not lucrative/viable for further growth or investments, the Company proposes to implement the present Scheme of Arrangement with an intention to at best minimum provide a return to its shareholders. The Company proposes a restructuring exercise under the Scheme of Arrangement wherein it is desirous of providing a liquidity option to the shareholders of the Company by structuring an exit option for all the equity shareholders at a value of Rs.10/- for every equity share held in the Company. This option would enable and facilitate the shareholder to have liquidity to their investment. The Board of Directors of the Company under the present Scheme of Arrangement propose to provide an exit route to the shareholders who are vested with the option of either holding their investments in the Company or exercise the option of exiting the Company at the price of Rs.10/- for every equity share held in the Company under the Scheme. Apart from providing such an option to the equity shareholders, the Company also proposed under the Scheme of Arrangement to redeem the Cumulative Redeemable Preference Shares and the Cumulative Optionally Convertible Redeemable Preference Shares and payment of outstanding Preference Dividend to Preference Shareholders in accordance with the terms of issuance of such Preference Shares. In essence, the Company through the surplus funds available in its books is providing value and exit to all classes of shareholders under the Scheme of Arrangement.

- 1.3 The Company through this Scheme of Arrangement under Section 230 to 232 read with other applicable provisions of the Companies Act, 2013 proposes:
- a) To reduce the issued, subscribed and paid up capital of the Company held by the shareholders which shall be subject to the Election Option exercised by the shareholders of the Company as provided in the scheme;
 - b) Upon the reduction and cancellation of the said paid up capital of the Company subject to the Election Option, each of the shareholders shall receive an amount of Rs.10/- for every equity share held in the Company;
 - c) The equity shareholders shall have an option of exiting the Company by receiving cash payment at the price of Rs.10/- for every equity share held pursuant to the Scheme. If the shareholders desire to choose the exit option by receiving cash payment, the said shareholders would have to communicate his/her intention of "exit option" within the prescribed date of shareholders meeting directed by the Tribunal under section 230 of the Act. In event of the shareholders opting for retaining of their holdings or failing to communicate either of the options, it shall be deemed that the Shareholders wish to retain their equity shares in the Company. The Cash Payment made by the Company to the equity shareholders who opted for "exit option" shall be considered as the full and final settlement for the investment made by the shareholders and there shall be no further claims or dues payable by the Company.
 - d) To Redeem the Cumulative Redeemable Preference Shares and the Cumulative Optionally Convertible Redeemable Preference Shares and payment of outstanding Preference Dividend to the Preference Shareholders in accordance with the terms of issue without creating Capital Redemption Reserve Account.
- 1.4 The Scheme of Arrangement has been formulated and presented under section 230 to 232 and other applicable provisions of the Companies Act, 2013. Pursuant to this Scheme, the interests of any shareholder or creditor or any stakeholders would not be prejudiced or affected.

PART II – DEFINITIONS AND SHARE CAPITAL

A. Definitions

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

- 2.1 **"Act"** means the Companies Act, 2013 read with the applicable Rules thereunder, and any statutory amendments or re-enactment thereof as may be prescribed or notified by the Government of India, from time to time.

- 2.2 **“Appointed Date”** means the date from which this Scheme shall become operative viz., 01-04-2019 and/or any other date the Tribunal modifies the Appointed Date to such other date, then the same shall be the Appointed Date.
- 2.3 **“Board”** means the Board of Directors of the Company and includes any Committee thereof constituted for the purpose of this Scheme.
- 2.4 **“Company”** means **THANJAVUR SPINNING MILL LIMITED**, a company incorporated under the Companies Act, 1956 and having its registered office at Rajapalayam Mills Premises, P.A.C Ramasamy Raja Salai, Rajapalyam, 626 117, Tamil Nadu.
- 2.5 **“Tribunal”** means 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 and amalgamation or reconstruction of companies under sections 230 to 240 of the Companies Act, 2013.
- 2.6 **“Effective Date”** means the date on which certified copies of the Orders of the Tribunal, sanctioning the Scheme are filed with the Registrar of Companies, Chennai by the Company.
- 2.7 **“Scheme of Arrangement”** or **“Scheme”** or **“The Scheme”** or **“This Scheme”** means this Scheme of Arrangement in its present form or with any modification(s) approved, imposed, or directed by the Tribunal.
- 2.8 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 or Dictionary meaning as the case may be, including any statutory modification or re-enactment thereof from time to time.

B. SHARE CAPITAL

The Capital Structure of the Company as on 31st March 2019 is as below:

AUTHORISED CAPITAL	In Rs.
70,00,000 Equity Shares of Rs. 10/-each	7,00,00,000
2,50,00,000 9% Cumulative Redeemable Preference Shares of Rs. 10/-each	25,00,00,000
40,00,000 9% Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/-each	4,00,00,000
TOTAL	36,00,00,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL	
27,00,000 Equity Shares of Rs. 10/-each	2,70,00,000
2,50,00,000 9% Cumulative Redeemable Preference Shares of Rs. 10/-each	25,00,00,000
20,00,000 9% Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/-each	2,00,00,000
TOTAL	29,70,00,000

Subsequent to 31st March 2019, the capital structure of the Company has not been changed or altered.

PART III – THE SCHEME

3.1 Upon the Scheme coming into effect:

- a) To reduce the issued, subscribed and paid up capital of the Company held by the shareholders which shall be subject to the Election Option exercised by the shareholders of the Company and shall stand cancelled and reduced without any further act or deed subject to modalities mentioned under clause 3.2 of the Scheme.
- b) On reducing and cancelling the equity share capital held by the Shareholders, to the extent of a face value of Rs.10/- for each share in respect of those shares of shareholders who have exercised their election option under this scheme and each of the Shareholders shall be entitled to Rs.10/- for every equity shares held by them in the Company (**“Return of Investment” or “Cash Payment”**). The Cash Payment made by the Company shall be considered as the full and final settlement for the investment made by the shareholders and there shall be no further claims or dues payable by the Company to the shareholders.

3.2 The shareholders of the Company shall have the option either to exit the Company by receiving cash payment or retaining their equity shares with the Company. The following steps would be undertaken by the Company to facilitate such an action by the shareholders:

- a) The Company shall issue a written notice to the Shareholders along with the explanatory statement informing them that, pursuant to the Scheme they are entitled to Return of their Investment under clause 3.1 (b).
- b) The Shareholders shall have the right to exercise either of the following two options within the date the Tribunal convened meeting is held:
 1. Notify the Company that they wish to receive Cash Payment pursuant to the terms of Clause 3.1; or
 2. Notify the Company that they wish to retain their equity shares.

The above options to either receive Cash Payment or retaining of Equity Shares are referred to as **“Election Option”** for the purpose of the Scheme.

3.3 In the event that a Shareholder of the Company does not exercise either of the options described under Clause 3.2 (b), or fails to return the signed copy of the option letter within the specified time, it shall be deemed that such Shareholder has, by default, exercised the option under Clause 3.2 (b) (2) above i.e. the option of retaining their equity shares.

- 3.4 Upon giving effect to the Scheme, the Company, shall with the purpose of facilitating and securing the Cash Payment to the Shareholders, open a dedicated bank account with a Nationalized or Scheduled Bank as provided under the Reserve Bank of India Act, 1934 (“**RBI Act**”) and transfer the sum equivalent to the price of the shares reduced within 15 days from the effective date of the Scheme. The amounts to be repaid shall be discharged by way of account payee cheque (or) electronic mode (or) Demand Draft to the respective shareholders within 30 days from the effective date of the Scheme. In the event of the shareholders not claiming or receiving the repaid amounts, within a period of 7 years, such amounts available shall be transferred to the Investor Education Protection Fund at the end of 7 years from the date of issuance of account payee cheque (or) instruction memo given for electronic mode (or) Demand Draft
- 3.5 Upon the repayment as per clause 3.4 of the Scheme hereinabove, the same shall be considered as repayment of the equity share capital by the Company to the Shareholders and such shares shall be deemed as cancelled and all the rights and entitlements along with it shall also be deemed to have extinguished. The original share certificates or if shares are in dematerialized form in respect of such equity shares held by the Shareholders shall also be deemed to be cancelled from such date when the amounts to be repaid are discharged by way of dispatch of the account payee cheque (or) electronic mode (or) Demand Draft to the respective Shareholder. The cancellation of such equity shares of the Shareholders shall be done whether such Equity shareholders surrender their old share certificates (if any) or not.
- 3.6 Upon the Scheme coming into effect, the Company shall redeem the 2,50,00,000 9% Cumulative Redeemable Preference Shares and the 20,00,000 9% Cumulative Optionally Convertible Redeemable Preference Shares at Rs.10 & Rs.10 respectively and pay outstanding Preference Dividend to Preference Shareholders by utilizing the Surplus funds available with the Company which shall also be in accordance with the terms of issue of such preference shares.
- 3.7 The reduction of the equity share capital of the Shareholders or the redemption of the preference shares as above shall not require the compliance of the provisions of section 66 or 55 of the Companies Act 2013. The order of the Tribunal sanctioning the Scheme shall be deemed to be an order under Section 230 to 232 and other applicable provisions of the Act confirming the arrangement and that the provisions of Section 66 or 55 of the Act shall not be required to followed in so far as conditions on the Company to add to its name the words “and reduced” and creation of Capital Redemption Reserve Account.

PART IV – ACCOUNTING TREATMENT

- 4.1 Upon coming into effect of this scheme
- the company will record the value payable to the equity shareholders for cancelling the equity shares pursuant to clause 3.1 of the Scheme to a separate account namely “Shareholders’ Control Account”;

- the issued, subscribed and paid-up Equity Share Capital of the Company shall be reduced to the extent of the face value of the equity shares cancelled; and

There will not be any difference between the face value of the equity shares cancelled and the shareholders' control account, since the Company is reducing the Share Capital "At Par" value.

- 4.2 Upon payment to equity shareholders for cancellation of shares i.e., upon issuance of account payee cheque (or) electronic mode (or) Demand Draft to the equity shareholder, amount paid will be adjusted against the Shareholders' Control Account

PART V – THE GENERAL TERMS AND CONDITIONS TO THE SCHEME

5. APPLICATION TO TRIBUNAL

- 5.1 The Company shall, within reasonable time, apply to Tribunal for necessary orders or directions for convening, holding and conducting of a meeting of the Equity Shareholders and for dispensation of the meetings of the 9% Cumulative Redeemable Preference Shareholders, 9% Cumulative Optionally Convertible Redeemable Preference Shareholders and Unsecured Creditors of the Company for approving this Scheme of Arrangement under Section 230 of the Act, for carrying this Scheme into effect.

6. MODIFICATIONS / AMENDMENTS TO THE SCHEME

- 6.1 The Company, through its directors or authorised persons, may in its full and absolute discretion, assent to any alteration or modification to which the Tribunal and/or any other Authority may deem fit to approve or impose and may consider necessary to settle any question or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith.
- 6.2 The Company, through its directors or authorised persons, may also in its full and absolute discretion, withdraw or abandon this Scheme at any stage of the proceedings including after sanction of the Scheme by the Tribunal. In such an event, no rights and liabilities shall accrue in terms of the Scheme.
- 6.3 If any Part of this Scheme hereof is invalid, ruled illegal by any Tribunal of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Company that such Part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part shall cause this Scheme to become materially adverse to the Company, in which case the Company shall attempt to bring about a modification in the Scheme, as will best preserve the benefits and obligations of the Scheme, including but not limited to such Part.

7. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

This Scheme is conditional on and subject to –

- 7.1 The approval of and agreement of to the scheme by the requisite majority of equity shareholders of the Company as may be directed by the Tribunal on the applications made for directions under Section 230 of the Act for calling, convening and conducting of meeting of equity shareholders.
- 7.2 The sanction by the Tribunal under Section 230 to 232 and other applicable provisions of the Act being obtained by the Company.
- 7.3 The filing with the Registrar of Companies of certified copies of the orders sanctioning the Scheme by the Company.

8. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

In the event of the Scheme not being sanctioned by the Tribunal 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 in terms of the Scheme.

9. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges, levies, fees, duties and expenses incurred in relation to, or in connection with, the 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 Company.

No. 28, 1st Floor, Ganapathy Colony, IIIrd Street, Teynampet, Chennai - 600 018.

To

The Board of Directors,
Thanjavur Spinning Mill Limited,
"Rajapalayam Mills Premises",
PAC. Ramasamy Raja Salai,
Rajapalayam- 626 117
Tamil Nadu, India.

Dear Sir/Madam,

I take this opportunity to place on record my deepest appreciation for providing me the opportunity to recommend Fair Value of the equity shares of Thanjavur Spinning Mill Limited (hereinafter referred to as "TSML", "Company").

Background Information:

Thanjavur Spinning Mill Limited (Formerly known as "Thanjavur Textiles Limited") is a Public Limited Company, bearing Corporate Identity Number (CIN) U17111TN1961PLC004505, incorporated on June 9, 1961, and having its registered office at "Rajapalayam Mills Premises, P. A. C. Ramasamy Raja Salai, Rajapalayam-626 117, Tamil Nadu.

The Company has obtained the approval of the Shareholders and sold its entire Fixed Assets, Land, Buildings and Properties except small portion of Land to the extent of 0.55 Acres. The proceeds of sale realization were utilized for repayment of borrowings and other debts of the Company.

The Company has represented to me that it is not having new business proposal (or) the proposal of continuing the textile business with the available surplus funds after repayment of debts and other borrowings.

The Company has represented to me that the Board of Directors with an intention of providing best minimum return to the Equity Shareholders had approved a restructuring exercise under a Scheme of arrangement and provides exit option to the Equity Shareholders of the Company at a fair price determined in accordance with the Act. This exit option enables the Equity Shareholders to have liquidity to their investments.

Further, the Board approved to redeem 2,50,00,000 nos of 9% Cumulative Redeemable Preference Shares of Rs.10 each and 20,00,000 nos of 9% Cumulative Optionally Convertible Redeemable Preference Shares of Rs.10 each in accordance with the terms of issuance of such Preference Shares.



Share Capital Structure of the Company as on 31-03-2019 is given below:

• **Authorized Share Capital**

Type of security	No. of Shares	Face value per share	Share Capital (Rs. Lakhs)
Equity Shares	70,00,000	Rs.10/-	700
9% Cumulative Redeemable Preference Shares	2,50,00,000	Rs.10/-	2,500
9% Cumulative Optionally Convertible Redeemable Preference Shares	40,00,000	Rs.10/-	400
Total			3,600

• **Issued, Subscribed and Paid Up Capital**

Type of security	No. of Shares	Face value per share	Share Capital (Rs. Lakhs)
Equity Shares	27,00,000	Rs.10/-	270
9% Cumulative Redeemable Preference Shares	2,50,00,000	Rs.10/-	2,500
9% Cumulative Optionally Convertible Redeemable Preference Shares	20,00,000	Rs.10/-	200
Total			2,970

Equity Share Capital:

The Promoters holds 15,65,291 no of Shares constituting 57.97 % of the paid up share capital of the Company. There are 39 number of Promoters as on 31-03-2019.

Public Shareholders holds 11,34,709 no of Shares constituting 42.03 % of the paid up share capital of the Company. There are 1,175 number of Public Shareholders as on 31-03-2019.

Preference Share Capital:

M/s. Rajapalayam Mills Limited holds 2,50,00,000 nos of 9% Redeemable Preference Shares of Rs.10/- each as on 31-03-2019.



These Optionally Convertible Redeemable Preference Shares were held by the Promoters of the Company and the shareholding details are given below:

Name	No. of Shares	% Shareholding
Smt. R Sudarsanam	5,00,000	25.00%
Shri. P.R.Venketrama Raja	5,00,000	25.00%
Smt. R. Nalina Ramalakshmi	5,00,000	25.00%
Smt. Sharada Deepa	5,00,000	25.00%
Total	20,00,000	100.00%

Overview of Industry:

Any study on the textile industry (I.e., TSML having discontinued operations) would not be relevant from the valuation perspective.

Purpose of Valuation:

Purpose of Valuation is to arrive at the Fair Share Value of TSML in the context of providing an exit opportunity to its equity shareholders (consequent to the scheme of Arrangement).

Sources of Information:

- Audited Financial Statement of the Company for the Year Ending from 31st Mar 2014 till 31st Mar 2019.
- Management Representation including their intent to provide an exit option for the shareholders and collectability of the dues to the Company.
- Shareholding Pattern on the Date of Valuation.
- Other information in the public domain which is considered relevant by me for the purpose of valuation.

Appointment Authority:

I was appointed by an engagement letter from TSML dated 25-03-2019



Key Dates:

- Appointment Date: 1st Apr 2019
- Valuation Date: 31st Mar 2019
- Valuation Report Date: 28th May 2019

Identity of the Valuer and any other experts involved in the valuation:

- This valuation is done by the undersigned, V Suresh, M.Com/FCS PGDFM, Registered Valuer, registered with Insolvency and Bankruptcy Board of India (IBBI Reg #: IBBI/RV/03/2018/10482) holding a valid Certificate of Practice issued by ICSIRVO.
- No other experts were consulted/involved in this valuation engagement.

Valuation Currency: INR (Indian Rupees)

Valuation Approach and Methodology:

- **Valuation Approaches**

The following are the three main valuation approaches commonly used in valuation:

1. Income Approach
2. Cost Approach
3. Market Approach

- o **Income Approach:**

- The Income Approach provides an indication of value by converting future cash flow to a single present value. The criteria for choosing Income Approach, among others, are as below:
 - i. Income producing ability of the asset is the critical element in determining the value of the asset
 - ii. Where the asset is an income producing, future cash flows are available
 - iii. Such Cash flows can reasonably be projected
 - iv. The asset does not have any market comparable or comparable transactions

Since the operations of TSML are discontinued and the Assets are sold, Income Approach cannot be used for determining the fair value of equity shares providing exit option to the shareholders, as it does not fulfil the above-mentioned criteria.



o **Market Approach:**

- The Market Approach provides an indication of (Fair) Value by comparing the asset with identical or comparable (that is similar or substantially similar or same) assets for which price information is available and can be trusted for its reliability.

The shares of TSML are not listed in any of the Stock exchange and traded frequently and market price not determinable.

Further, Valuation are not conducted based on Comparable Methods, for reasons articulated as below:

- Comparable Transactions Method: No reliable information is available on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value.
- Guideline publicly-traded comparable method: No reliable information available on publicly-traded comparable for same or similar to the subject asset to arrive at an indication of value.

o **Cost Approach:**

- The Cost Approach provides for indication of value of the business is based on value of assets net of liabilities. This approach is used in scenario where it is easy to replicate or reproduce the asset and there are no major intangibles or brand value associated with it. It is also used in scenario where asset being valued is subject to Liquidation.
- The purpose of valuation is to arrive at the Fair Share Value for providing an exit opportunity to its Equity Shareholders.
- Considering the cessation of operations of the company and the need to determine the fair value of the shares to be used to provide an exit option to its equity shareholders (i.e., owners), Cost Approach (i.e., Net of Asset over Liabilities) would be appropriate valuation methodology. The Management have confirmed the Going Concern Status of the Company.
- Hence, I have conducted the valuation exercise based on Cost Approach.



Investigations and/or Inspections Undertaken:

The following are the inspections undertaken by me as part of the valuation exercise:

- Verification of Company's Master Data in MCA Site
- Verification of Secretarial Records in connection with Capital Structure and Shareholding Pattern

Major factors that were taken into account during the valuation:

The following are the major factors taken into account by me during the valuation exercise in arriving at the Fair Value of Equity Shares:

- Corporate actions taken or proposed to be taken for providing an exit option to its shareholders
- Cessation of Business Operations (of the Company) as confirmed by the Management
- Audited Financials as on the Valuation Date – basis of determining the fair value of the shares

Conclusion/ Recommendation:

The Management of the Company has confirmed to me that

- The Company in compliance with all the laws applicable to it in its local and national jurisdiction.
- The Company has confirmed that they have no contingent liabilities, unusual contractual obligations or significant commitments other than those arising in the normal course of business, including any pending litigations, if any.

On the basis of the matters, methodologies, description of methods and the basis of valuation mentioned here in above, the fair value of the fully paid up equity shares of the Company stands at Rs. 10.00 (Rupees Ten Only) Per Share as on the valuation date.

Disclosure of Valuer Interest/Conflict, if any:

- I am not associated with the Company in any other professional capacity and there are no sources of conflict and material interests involved.
- Neither the valuer nor the members of the team working on the independent valuation have directly or indirectly, through the client or otherwise, shared any



advisory perspective or have been influenced or undertaken advocating a management position in determining the value.

Caveats, Limitations and Disclaimers:

- The scope of work is to determine the FAIR VALUE of the Company, based on information furnished by the Management of the Company. The provision of such services or recommendation and considerations of the issues described in this report are areas of my professional competencies. This professional valuation service does not represent accounting and/or audit and/or consulting and/or transfer pricing and/or tax-related services and/or financial due diligence and/or any other review.
- In preparing this valuation report, I have relied upon and assumed, without independent verification, the accuracy and completeness of all information provided by the Company and its Management.
- The report is being provided solely for the benefit of Company and is not on behalf of, and shall not confer rights or remedies upon, any other person other than the Company.
- My views are necessarily based on the information made available to me, as of the date of Valuation. It should be understood that subsequent developments may affect my views and that I do not have any obligation to update, revise, or reaffirm the views expressed in this report. Nothing contained within the report is or should be relied upon as a promise or representation as to the future.
- The fees for the engagement are not contingent upon the results reported.
- This report does not constitute a fairness opinion, solvency opinion, or an investment recommendation and should not be construed as such.

Respectfully Submitted

Dated: 28th May 2019
Place: Chennai



V Suresh,
Registered Valuer,
IBBI Reg #: IBBI/RV/03/2018/10482



THANJAVUR SPINNING MILL LIMITED

CIN: U17111TN1961PLC004505

Registered office: Rajapalayam Mills Premises,
P.A.C. Ramasamy Raja Salai, Rajapalayam – 626 117.

Phone No.: 04563-235666, Fax: 04563-236520

E-mail: tsml@ramcotex.com Website: www.thanjavurspinningmill.co.in

POSTAL BALLOT FORM				
S No	Particulars	Details		
1	Name of the Cumulative Optionally Convertible Redeemable Preference Shareholder			
2	Postal address			
3	Registered folio No			
4	Class of Share	Preference		
<p>I/ We hereby exercise my/our vote in respect of the Resolution set out in the notice dated 25-02-2020 and briefly enumerated below for the meeting of the Cumulative Optionally Convertible Redeemable Preference Shareholders of Thanjavur Spinning Mill Limited being convened pursuant to Orders dated 31st January, 2020 and 14th February, 2020 of the Hon'ble National Company Law Tribunal, Chennai Bench to be held on Tuesday, the 31st March, 2020 at 12:00 PM at the Registered Office of the Company at Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam – 626 117, by sending my/our assent or dissent to the said Resolution by placing a tick mark (√) in the appropriate box below:</p>				
No	Item	No. of shares held	I/ we assent to the resolution <i>FOR</i>	I/ we dissent from the resolution <i>AGAINST</i>
1.	Resolution for approving the Scheme of Arrangement between Thanjavur Spinning Mill Limited and its Creditors, Equity Shareholders, Cumulative Redeemable Preference Shareholders and Cumulative Optionally Convertible Redeemable Preference Shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.			
Place: Date:		Signature		

Instructions:

Voting through Physical Postal Ballot Form

1. Cumulative Optionally Convertible Redeemable Preference Shareholders desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to Ms. Geetha Sridhar, Scrutinizer, c/o, Thanjavur Spinning Mill Limited, Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam – 626 117 in the attached self-addressed postage prepaid envelope.
2. However, envelopes containing Postal Ballots, if sent by courier at the expense of the registered Cumulative Optionally Convertible Redeemable Preference Shareholders will also be accepted.
3. The Postal Ballot Form should be completed and signed by the Cumulative Optionally Convertible Redeemable Preference Shareholders. In case of joint holding, this form should be completed and signed by the first named Cumulative Optionally Convertible Redeemable Preference Shareholder or in his/her absence, by the next named Cumulative Optionally Convertible Redeemable Preference Shareholders.
4. A postal ballot form will be considered invalid on the following grounds:
 - a) A form other than one issued by the Company has been used.
 - b) It has not been signed by or on behalf of the Cumulative Optionally Convertible Redeemable Preference Shareholder.
 - c) Signature on the postal ballot form does not match with the specimen signature registered with the company.
 - d) If the Cumulative Optionally Convertible Redeemable Preference Shareholder has marked both in favour of and against the resolution.
 - e) It is not possible to clearly determine the assent or the dissent of the Cumulative Optionally Convertible Redeemable Preference Shareholder.
 - f) Neither assent nor dissent is mentioned.
 - g) Any competent authority has given directions in writing to the Company to freeze the voting rights of the member.
 - h) The postal ballot form, signed in a representative capacity, is not accompanied by a certified true copy of the relevant specific authority.
 - i) If the ballot paper received is torn or defaced or mutilated to such an extent that its identity as a genuine form cannot be established or it is difficult for the Scrutinizer to identify the Cumulative Optionally Convertible Redeemable Preference Shareholder or the number of votes cast or whether the votes have been cast in favour or against the resolution.
 - j) Cumulative Optionally Convertible Redeemable Preference Shareholders has made any amendment to the resolution or imposed any condition while exercising his or her vote.

The decision of the scrutinizer on the validity or otherwise of the postal ballot form / the votes cast shall be final.

5. **Duly completed Postal Ballot Form** should reach the Scrutinizer **not later than** the close of working hours that is, **5.00 P.M., on 30-03-2020.**
6. Postal Ballot Form received after this date and time will be strictly treated as if reply from the Cumulative Optionally Convertible Redeemable Preference Shareholder has not been received.
7. Voting rights shall be reckoned on the paid up value of shares registered in the name of the **Cumulative Optionally Convertible Redeemable Preference Shareholders holding shares as on 25-02-2020.**
8. In case of shares held by companies, trusts, societies, bodies corporate or institutional investors, the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution / Authority, failing which the postal ballot form will be considered as invalid.
9. Cumulative Optionally Convertible Redeemable Preference Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed pre-paid self-addressed 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.
10. Cumulative Optionally Convertible Redeemable Preference Shareholders have the option either to vote through the e-voting or through the Postal Ballot Form. If a Cumulative Optionally Convertible Redeemable Preference Shareholders opts for physical postal ballot, then he/she should not vote by e-voting and vice-versa. However, in case Cumulative Optionally Convertible Redeemable Preference Shareholders cast their vote both via physical postal ballot and e-voting, then voting through e-voting shall prevail and voting done through physical ballot shall be treated as invalid.

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, DIVISION BENCH, CHENNAI

CA/1059/CAA/2019

In the matter of:

Sections 230 to 232 and other applicable
Provisions of the Companies Act, 2013;

And

In the matter of Scheme of Arrangement
between Thanjavur Spinning Mill Limited its Creditors, Equity Shareholders, Cumulative Redeemable
Preference Shareholders and Cumulative Optionally Convertible Redeemable Preference
Shareholders

Thanjavur Spinning Mill Limited
(CIN:U17111TN1961PLC004505)
a Company incorporated under the Indian Companies
Act, 1956, having its Registered Office at
Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam – 626 117;

...Applicant Company

FORM OF PROXY

Name of the Cumulative Optionally Convertible Redeemable Preference Shareholder	
Registered address	
E-mail Id	
Folio No	

I/We, being the Cumulative Optionally Convertible Redeemable Preference Shareholder of _____
shares of the above named Company viz., Thanjavur Spinning Mill Limited, hereby appoint:

1) _____ of _____ having e-mail id
_____ or failing him;

2) _____ of _____ having e-mail id
_____ or failing him;

3) _____ of _____ having e-mail id
_____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Cumulative Optionally Convertible Redeemable Preference Shareholders meeting of the Company convened on the directions of the National Company Law Tribunal, Division Bench, Chennai, to be held on Tuesday, 31st March, 2020 at 12:00 P.M at the Registered Office of the Company at Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam – 626 117 and at any adjournment thereof in respect of the Resolution set out in the notice dated 25-02-2020 and briefly enumerated below:

<i>Item</i>	<i>No. of shares held</i>	<i>I/ we assent to the resolution</i> FOR	<i>I/ we dissent from the resolution</i> AGAINST
Resolution for approving the Scheme of Arrangement between Thanjavur Spinning Mill Limited and its Creditors, Equity Shareholders, Cumulative Redeemable Preference Shareholders and Cumulative Optionally Convertible Redeemable Preference Shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.			

Signed this _____ day of _____ 2020

Signature of Cumulative Optionally Convertible Redeemable Preference Shareholder

<p>Affix One Rupee Revenue Stamp</p>
--

Signature of proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. A proxy need not be a member of the Company.
3. Alterations, if any made in the Form of Proxy should be initialled.

ATTENDANCE SLIP

**MEETING OF THE CUMULATIVE OPTIONALLY CONVERTIBLE REDEEMABLE PREFERENCE
SHAREHOLDERS OF THE COMPANY CONVENED ON THE DIRECTIONS OF THE
NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, CHENNAI,**

**TO BE HELD ON TUESDAY, 31ST MARCH, 2020 AT 12:00 P.M.
AT RAJAPALAYAM MILLS PREMISES, PAC RAMASAMY RAJA SALAI,
RAJAPALAYAM – 626 117**

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF
THE MEETING HALL**

Folio No.	
No. of Cumulative Optionally Convertible Redeemable Preference Shares held	
Name and address of the Cumulative Optionally Convertible Redeemable Preference Shareholder (in block letters)	
Name and address of the Proxyholder (in block letters) – To be filled by the proxy attending instead of the Cumulative Optionally Convertible Redeemable Preference Shareholder	

I/We certify that I/We am/are registered Cumulative Optionally Convertible Redeemable Preference Shareholder /proxy for the registered Cumulative Optionally Convertible Redeemable Preference Shareholder of the Company.

I/ We hereby record my presence at the meeting convened pursuant to the Orders dated 31st January, 2020 and 14th February, 2020 of the National Company Law Tribunal, Division Bench, Chennai ("NCLT") of the Cumulative Optionally Convertible Redeemable Preference Shareholders of the Company on Tuesday, 31st March, 2020 at 12:00 P.M. at Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam – 626 117

Shareholder's / Proxy's name in **BLOCK** letters

Signature of Cumulative Optionally Convertible Redeemable Preference Shareholders / Proxy

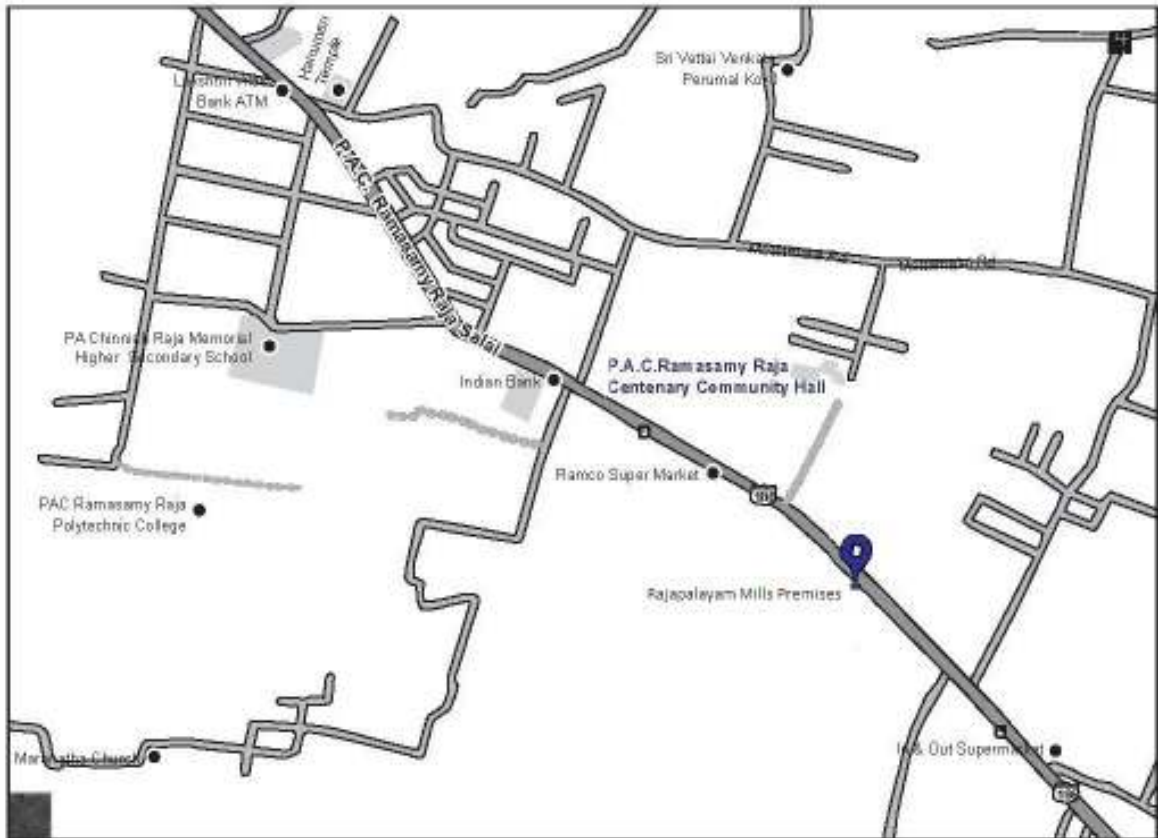
Notes:

1. Please fill in the attendance slip and hand it over at the entrance of the Meeting Hall.
2. Joint Shareholder(s) may obtain additional attendance slip at the venue of the meeting.

Route Map

Map showing Location of Venue of the Meeting of Cumulative Optionally Convertible Redeemable Preference Shareholders of Thanjavur Spinning Mill Limited Convened as per the Directions of The National Company Law Tribunal ('NCLT')

Venue Address: Rajapalayam Mills Premises, PAC Ramasamy Raja Salai, Rajapalayam – 626 117,
Tamil Nadu



Land Mark: Near Indian Bank, P.A.C.R. Polytechnic College Branch

Distance from Rajapalayam Bus Stand : 3.5 KM; Distance from Rajapalayam Railway Station : 3.9 KM