



# KANDAGIRI SPINNING MILLS LIMITED

**Corporate Identity Number (CIN) : L17111TZ1976PLC000762**

Registered Office: POST BAG NO.3, UDAYAPATTI P.O., SALEM – 636 140

Tel : 0427 2244400 Fax : 0427 2244422

Email : sales@kandagirimills.com

Website : www.kandagirimills.com

## **NOTICE TO THE SHAREHOLDERS**

Notice is hereby given that the Thirty Eighth Annual General Meeting of the Company will be held at the Mill Premises of Sambandam Spinning Mills Limited at Kamaraj Nagar Colony, Salem 636014 on Sunday, **the 28th September, 2014 at 11.30 a.m** to transact the following business:

### **ORDINARY BUSINESS**

#### **Item Adoption of Financial Statements**

No.1 To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date together with the notes annexed thereto and the reports of the Directors and the Auditors thereon.

#### **Item Appointment of Sri S.Devarajan, Director Retiring by Rotation**

No.2 To appoint a director in the place of Sri S.Devarajan (holding DIN 00001910) who retires by rotation and being eligible, offers himself for re-appointment.

#### **Item Appointment of Statutory Auditors**

No.3 NOTE

M/s. M.S.Krishnaswami & Rajan, Chartered Accountants (Firm Registration No.01554S) was appointed as Statutory Auditors of the Company at the last (37th) Annual General Meeting of the Company held on 14.8.2013 to hold office till the conclusion of this annual general meeting. As per Section 139(2) of the Companies Act, 2013, a listed Company can appoint a firm of auditors for not more than two terms of five years each. M/s. M.S.Krishnaswami & Rajan have been the statutory auditors of the Company for more than ten years. However, the Act provides a period of three years from the date of enforcement of this section (i.e. from 1.4.2014) to comply with this requirement. M/s. M.S.Krishnaswami & Rajan have confirmed their eligibility and willingness to be appointed for one more year. Board recommends their appointment as statutory auditors of the Company for approval of the members.

### **RESOLUTION**

“RESOLVED THAT, pursuant to the provisions of section 139(2) and other applicable provisions, if any, of the Companies Act 2013 and the rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. M.S.Krishnaswami & Rajan, Chartered Accountants (Firm registration No.01554S) be and they are hereby re-appointed as Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting for the financial year 2014-15 on a remuneration of Rs.3,70,000/- (Rupees Three Lakhs and Seventy thousand only) excluding the out of pocket expenses that may be incurred by them in connection with the audit and excluding the applicable service tax

### **SPECIAL BUSINESS**

#### **Item Approval for Continuation of Sri R.Selvarajan as Chairman and Managing Director**

No.4 To consider and if thought fit to pass with or without modification the following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT pursuant to the provisions of Section 196 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any amendment thereto or enactment thereof for the time being in force), consent be and is hereby accorded for the continuation of Sri R. Selvarajan as Chairman and Managing Director on the existing terms and conditions for his remaining period i.e., up to 30.09.2015, as approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

## **SPECIAL BUSINESS (Contd.)**

### **Item Appointment of Sri P.S.Ananthanarayanan as a Non-Executive Independent Director**

No.5 To consider and if thought fit to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force)read with Schedule IV to the Companies Act, 2013, Sri P.S. Ananthanarayanan (holding DIN 00001759), a non-executive director of the Company who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director be and is hereby appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation to hold office for a period of five consecutive years from the date of this AGM till the conclusion of the 43rd AGM of the Company”.

### **Item Appointment of Dr. V.Gopalan as a Non-Executive Independent Director**

No.6 To consider and if thought fit to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force)read with Schedule IV to the Companies Act, 2013, Dr. V. Gopalan (holding DIN 00018602), a non-executive director of the Company who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director be and is hereby appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation to hold office for a period of five consecutive years from the date of this AGM till the conclusion of the 43rd AGM of the Company”.

### **Item Appointment of Sri N.Asoka as a Non-Executive Independent Director**

No.7 To consider and if thought fit to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri N.Asoka (holding DIN 00127155), a non-executive director of the Company who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director be and is hereby appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation to hold office for a period of five consecutive years from the date of this AGM till the conclusion of the 43rd AGM of the Company”.

### **Item Appointment of Sri S.Gnanasekharan as a Non-Executive Independent Director**

No.8 To consider and if thought fit to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force)read with Schedule IV to the Companies Act, 2013, Sri S.Gnanasekharan (holding DIN 06796817), a non-executive director of the Company who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director be and is hereby appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation, to hold office for a period of five consecutive years from the date of this AGM till the conclusion of the 43rd AGM of the Company”.



## **SPECIAL BUSINESS (Contd.)**

Item **Appointment of Sri Kameshwar M. Bhat as a Non-Executive Independent Director**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013. Sri Kameshwar M. Bhat (holding DIN 06951906), who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director be and is hereby appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation, to hold office for a period of five consecutive years from the date of this AGM till the conclusion of the 43rd AGM of the Company.”

Item **Appointment of Dr. A.Sarayu as a Non-Executive Director**

No.10 To consider and if thought fit to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act 2013 (the Act) and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Dr. A.Sarayu (holding DIN 06953362), and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing her candidature for the office of Director be and is hereby appointed as non-executive director of the Company.

Item **Appointment of Sri M.Rajamani as a Non-Executive Director**

No.11 To consider and if thought fit to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act 2013 (the Act) and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Sri M. Rajamani (holding DIN 00001930), and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director be and is hereby appointed as non-executive director of the Company.”

Item **Authorising Board of Directors for creation of charge/mortgage on the properties of the Company**

No.12 To consider and if thought fit to pass with or without modification the following resolution as a SPECIAL RESOLUTION:

Resolved that in supersession of the ordinary resolution passed at the 31st Annual General Meeting held on 6th July, 2007 and pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any, of the Companies act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such approvals as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee thereof) to mortgage / pledge/hypothecate/ create charge on all the immovable and movable properties and all such assets of the company wherever situate, present and future and/or with power to enter upon and take possession of the assets of the company in certain events on such terms and conditions and at such time or times and in such form or manner as it may think fit, to or in favour of the financial institutions/banks for an aggregate nominal value not exceeding Rs.300,00,00,000/- (Rupees Three Hundred crores only) to secure the term loans together with interest, costs, charges, expenses and all other monies payable in the above connection in terms of the agreement entered or to be entered into between the company and the financial institutions/ banks, such that the security ranks pari passu with, or second or subservient to, the mortgages / pledges / hypothecations /charges already created or to be created by the company or in such manner as may be agreed to by/between the parties concerned and as may be thought expedient by the Board.



## **SPECIAL BUSINESS (Contd.)**

RESOLVED FURTHER that the Board be and is hereby authorized to finalize and execute such documents, deeds, papers and writings for creating the aforesaid mortgages / pledges / hypothecations / charges / and to do all such deeds and things as may be necessary or expedient for implementing this resolution.”

### **Item Authorising the Board of Directors for the borrowings**

No.13 To consider and if thought fit to pass with or without modification the following resolution as a SPECIAL RESOLUTION:

“RESOLVED that in supersession of the ordinary resolution passed at the 31st Annual General Meeting held on 6th July, 2007 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such approvals as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee thereof) for borrowing, from time to time, such sums of money as the Board may deem fit for the purpose of the business of the company, notwithstanding that the moneys to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the company’s bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the company and its free reserves, that is to say , the reserves not set apart for any specific purpose, provided that the total amount up to which the monies may be borrowed by the Board of Directors of the Company shall not exceed the aggregate of the paid-up capital and free reserves of the company by more than a sum of Rs.300,00,00,000/- (Rupees Three Hundred Crores only) at any one time.

RESOLVED FURTHER that the Board be and is hereby authorised, on behalf of the Company, to do all such acts, deeds and things, to execute all such documents, instruments in writing as may be required, in its absolute discretion, pursuant to the above resolution.”

### **Item Alteration of Memorandum of Association of the Company**

No.14 To consider and if thought fit to pass with or without modification the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT the Memorandum of Association of the Company be and is hereby amended by inserting the following clauses as clause 11A and clause 11B after clause 11 under III-B – **THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:**

**11A To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being conducted so as to directly or indirectly benefit the Company**

**11B To invest in the share capital of new or existing Company or Companies or joint venture(s) for carrying out such activity or activities, at such time or times as considered appropriate by the Board of Directors of the Company.**

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such action as may be necessary to give effect to the above.”

### **Item Alteration of Articles of Association of the Company**

No.15 To consider and if thought fit to pass with or without modification the following resolution as a Special Resolution:

“RESOLVED THAT the Articles of Association of the Company be and is hereby amended as specified hereunder:

(a) The following article be added as Article 13 A after Article 13:

**13A The Company may purchase its own shares in accordance with the provisions of section 68 and other applicable provisions if any of the Companies Act, 2013 and the rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).**



## SPECIAL BUSINESS (Contd.)

(b) The following article be added as Article 27A after Article 27:

**27A An individual shall be appointed or reappointed to or hold the position of Chairman and also its Managing director or Chief Executive Officer (as the case may be) at the same time.**

(c) The following article be added as Article 55 after Article 54:

**55 Wherever reference to Sections, Schedules, Chapters, Tables, Rules and Regulations under the provisions of the Companies Act 1956 are quoted in this Articles of Association, the same are deemed to be substituted with the corresponding Sections, Schedules, Chapters, Tables, Rules and Regulations under the provisions of the Companies Act 2013 and the rules framed thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force.**

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such action as may be necessary to record the above amendments in the Articles of Association of the Company."

### Item **Ratification of the Remuneration Payable to Cost Auditors**

No.16 To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT the remuneration of Rs.2,50,000/- (Rupees Two lakhs Fifty thousand only) payable for audit of cost accounts of the Company for the financial year ending 31st March 2015 to M/s. S. Mahadevan & Co., Cost Accountants as recommended by the Audit Committee and approved by the Board of Directors of the Company pursuant to section 148 of the Companies Act 2013 read with rule 14 and other applicable rules of the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) excluding the out of pocket expenses that may be incurred by them in connection with the audit and excluding the applicable service tax be and is hereby ratified.

RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

### Item **Acceptance of Fixed Deposits from the Members of the Company**

No.17 To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

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

By order of the Board

Place: Salem

J.Asifa

Date : August 13, 2014

Company Secretary

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## NOTES :

1. A Member entitled to attend and vote is entitled to appoint proxy/proxies to attend and vote instead of himself/ herself and the proxy need not be a Member. Please read the instructions printed overleaf the Proxy Form attached to this notice before using the Form. The right of e-voting and Postal Ballot Form shall not be exercised by a Proxy
2. The explanatory statement of material facts pursuant to Section 102 of the Companies Act, 2013 in respect of special business set out under Items No. 4 to 17 of the Notice is annexed hereto.



3. The Register of Members and the Share Transfer Books of the Company will remain close from Thursday 18th September 2014 to Sunday 28th September 2014 (both days inclusive).
4. Members holding shares in physical form are requested to contact M/s Cameo Corporate Services Ltd., Registrars and Share Transfer Agents of the Company, at Subramaniam Building, No. 1 Club House Road, Chennai – 600 002 for recording any change of address, bank mandate, or nominations and for redress of grievance or contact the Company Secretary at the Registered Office of the Company.

In case of shareholders holding shares in demat form, all such intimations are to be sent to their respective Depository Participants (DPs).

Members can also submit their grievances direct to the Company at the following email ID:  
sales@kandagirimills.com ksmcs@kandagirimills.com

5. As per SEBI Regulation (Regulation No 13) a person holding the Company's shares/acquiring the Company's shares (voting rights) exceeding 5% of the paid up share capital (one lakh ninety thousand equity shares of the Company together with their existing holdings) shall inform the Company within 4 working days of acquisition of the Company's shares before sending the share transfer documents to Cameo Corporate Services Ltd., for registering the shares in their name. Similarly persons already holding 5% or more (more than one lakh ninety thousand) equity shares of the Company shall inform the Company if they sell or transfer any of their shares within 4 working days of sale of their shares.
6. As per the provisions of the Companies Act, facility for making nominations is available to individuals holding shares in the Company. The prescribed nomination form can be obtained from the RTA / Depository Participants.
7. As per the provisions of Section 205A of the Companies Act, 1956, and Section 124(5) of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. Accordingly, the Company has transferred to IEPF all unclaimed / unpaid dividends declared up to the financial year 2006-07.

Pursuant to the provisions of Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 14th August 2013 (date of last AGM) on the website of the Company ([www.kandagirimills.com](http://www.kandagirimills.com)) as also on the website of the Ministry of Corporate Affairs. Shareholders can ascertain the status of their unclaimed amounts from these websites.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market for registering transfers, transpositions, transmissions etc. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA, Cameo Corporate Services Limited, at 'Subramaniam Building', No.1, Club House Road, Chennai – 600 002.
9. Additional information pursuant to clause 49 of the Listing agreement with the stock exchanges in respect of Directors seeking appointment at the AGM are furnished and forms part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment(s).
10. Members are requested to inform the Company their e-mail ID to facilitate quick response from the Company. Ministry of Corporate Affairs has recognised e-mail communication to share holders as effective and efficient means of communication from the Company and also member's communication to the Company. Members may register their e-mail id with the Company and also keep the Company informed of any changes in their e-mail ID.
11. Members who have not so far dematerialized their shares are advised to demat the shares held in physical form which will ensure safety and security for their shares

## 12 VOTING THROUGH ELECTRONIC MEANS

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all Resolutions set forth in the Notice convening the 38th AGM. The Company has engaged the services of Central Depository Securities Limited (CDSL) for this purpose.



The voting period begins on **22.09.2014 at 9.15 a.m and ends on 24.09.2014 at 6.30 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 14.08.2014 (cut-off date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**Instructions for members for voting electronically are as under:-  
In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" "KANDAGIRI SPINNING MILLS LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code (image verification) as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

<b>For Members holding shares in Demat Form or in Physical Form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * Members who have not updated their PAN with the Company / RTA / DP are requested to use the first two letters of their name and the sequence number in the 'PAN field'. The S.L.No. printed on your address slip pasted on the Annual Report envelope added with sufficient 0s in between the first two letters of your name and the S.L.No. to fill the ten digit PAN field for this purpose, Example: If your name is Ramesh with S.L.No. 00003615 then enter RA00003615 in the 'PAN field'. If the name is V.K.Mohan with S.L.No. 00000005, enter VK00000005 in the 'PAN field'.
Date of Birth (DOB)	Enter the Date of Birth (as recorded in your demat account or in the Company records for the said demat account or folio) in dd/mm/yyyy format.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

# Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) Click on the EVSN for the relevant <Company Name> "KANDAGIRI SPINNING MILLS LIMITED" on which you choose to vote.
- (x) 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.
- (xi) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.



- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xv) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvi) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xvii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**13 VOTING THROUGH POSTAL BALLOT**

In terms of Clause 35B of the Listing Agreement, those Members, who do not have access to e-voting facility provided by the Company for the AGM in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, may send their assent (FOR) or dissent (AGAINST) in writing on the Postal Ballot Form enclosed with the notice. For details of the scrutinizer and the steps followed for voting through postal ballot please refer instructions printed overleaf the postal ballot form.

**IMPORTANT NOTE:**

AS THE COMPANY BEING A LISTED COMPANY, E – VOTING / POSTAL BALLOT FACILITY IS PROVIDED TO THE MEMBERS OF THE COMPANY. HENCE VOTING BY SHOW OF HANDS OR POLL WILL NOT BE AVAILABLE TO THE MEMBERS AT THE 38TH AGM.

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**Item EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FOR ITEMS No.4 to 17**

**No.4 CONTINUATION OF SRI R.SELVARAJAN, CHAIRMAN AND MANAGING DIRECTOR**

Sri R. Selvarajan had been appointed as the Chairman and Managing director of the Company on a monthly remuneration of Rs. 3,00,000/- (inclusive of perquisites and allowances) for a period of three years from 01.10.2012 to 30.09.2015 by way of special resolution passed by the shareholders at the AGM held on 12th August, 2012. Section 196 of the Companies Act, 2013 stipulates that an individual shall not be continued as Managing Director, if he attains the age of 70 years, unless it is approved by the shareholders by passing a special resolution. Sri R. Selvarajan will be attaining the age of seventy on 01.10.2014. Hence a special resolution has to be passed for his continuation as Chairman and Managing director of the Company for his remaining tenure i.e., upto 30.09.2015.

Nomination and Remuneration Committee at its meeting held on 13th August 2014 recommended to the Board that Sri R. Selvarajan be continued as Chairman and Managing director for his remaining tenure on the existing terms and conditions which is in the interest of the company considering his experience. Sri R.Selvarajan has been serving the Company as Chairman and Managing Director for the past 12 years. He has been on the Board of various companies and has more than four decades of experience in the field of textiles. His vast experience and knowledge provides an invaluable contribution to the company. Hence his continued association would be of immense benefit to the Company. The Board has approved and commends passing of the resolution.





**Item EXPLANATORY STATEMENT FOR ITEMS No.4 to 17 (Contd.)**

Except Sri R. Selvarajan, interested director and Sri S. Vijay Shankar, relative to the interested director, no other director or Key Managerial Personnel or their relatives are concerned or interested in this Resolution

**No.5 APPOINTMENT OF INDEPENDENT DIRECTOR**

to 8 Pursuant to the provisions of clause 49 of the listing agreement, Company had appointed Sri P.S. Anathanarayanan, Dr. V.Gopalan, Sri N.Asoka and Sri S. Gnanasekharan as Independent Directors of the Company, whose period of office is liable to determination by retirement of directors by rotation under the applicable provisions of the Companies Act, 1956. As per the provisions of Section 149 of the Companies Act, 2013 which came into effect from April 1, 2014, Independent directors shall hold office for a term of five consecutive years and they are not liable to retire by rotation.

The Nomination and Remuneration Committee at its meeting held on 13th August, 2014 has recommended the appointment of these directors as Independent directors for a period of five consecutive years from the date of the ensuing AGM of the Company. The Company has received notice from the members along with the requisite deposit amount under section 160 of the Companies Act, 2013 proposing the candidature of the aforesaid directors for the office of Independent director. The company has also received from the aforesaid directors, a declaration to the effect that they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013. Accordingly, Board places the resolution for the appointment of these directors as Independent directors before the members for their approval. Details of the directors to be appointed as required under clause 49 of the listing agreement is given in the annexure.

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

**No.9 APPOINTMENT OF SRI KAMESHWAR M.BHAT, INDEPENDENT DIRECTOR**

Company has received a notice from a member u/s 160 of the Act together with the requisite deposit amount proposing the appointment of Sri Kameshwar M. Bhat as an independent director of the Company. Sri Kameshwar M. Bhat was the Assistant General Manager of Karnataka Bank Ltd. He took voluntary retirement from the Bank after serving 23 years in that bank. Sri Kameshwar M. Bhat expressed his willingness to be an independent director on the board of directors of the Company for a term of five years, if appointed. His vast experience in the bank for over two decades will be of great support to the Company. He is not holding any shares in the Company. Nomination and Remuneration Committee at its meeting held on 13th August, 2014 considered his candidature for appointment as an independent director on the board of directors of the Company and recommended to the Board to include his appointment in the notice of the ensuing AGM of the Company. Accordingly Board commends the resolution for the approval of members.

None of the directors or Key Managerial Personnel or their relatives are concerned or interested in the resolution

**No.10 APPOINTMENT OF DR. A.SARAYU, NON-EXECUTIVE DIRECTOR**

As per the provisions of Section 149 of the Companies Act 2013 and Clause 49 of the listing agreement all listed companies should have at least one woman director on the Board of Directors of the Company. Notice under Section 160 of the Act has been received from a member together with the requisite deposit amount proposing the appointment of Dr. A. Sarayu as a director of the Company. She holds 53,090 equity shares in the Company. Nomination and Remuneration Committee at its meeting held on 13th August, 2014 considered appointing Dr. A. Sarayu who is related to Sri R. Selvarajan, Chairman and Managing Director and Sri S. Vijay Shankar, Director & Chief Financial Officer of the Company and recommended to the Board to include her appointment in the notice of the ensuing AGM of the Company. No other director or Key Managerial Personnel or their relatives are interested in the appointment of Dr. A.Sarayu. Accordingly Board commends the resolution set out under item No.10 for the approval of members.

**No.11 APPOINTMENT OF SRI M. RAJAMANI, NON-EXECUTIVE DIRECTOR**

Company has received a notice from a member u/s 160 of the Act together with the requisite deposit amount proposing the appointment of Sri M. Rajamani as a director of the Company. Sri M.Rajamani is an Industrialist. He had been a director of the Company for three years from the year 2008 to 2011. He has vast experience in textile trade for over two decades. He holds 1,22,067 equity shares of the Company. Accordingly Board places the resolution for approval. None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.



Item **EXPLANATORY STATEMENT FOR ITEMS No.4 to 17 (Contd.)**

**No.12 AUTHORISING BOARD OF DIRECTORS FOR CREATION OF CHARGE/MORTGAGE ON THE PROPERTIES OF THE COMPANY**

The Shareholders of the Company had at the annual general meeting of the Company held on 6th July 2007 passed a ordinary resolution under section 293(1)(a) of the Companies Act, 1956, authorising the Board to mortgage/pledge/hypothecate/create charge on all movable and immovable properties of the company in favour of banks/financial institutions up to the maximum amount of Rupees Three Hundred Crore. According to the provisions of Section 180(1)(a) of the Companies Act, 2013 the Board of Directors has to obtain the consent of the Company by way of passing a special resolution to mortgage or to create charge on assets of the company in favour of financial institutions and banks. Hence Board places the resolution before the members for approval by passing special resolution. None of the directors, Key Managerial Personnel of the Company and their relatives are concerned or interested in the proposed resolution.

**No.13 AUTHORISING THE BOARD OF DIRECTORS FOR THE BORROWINGS**

The Shareholders of the Company had at the annual general meeting of the Company held on 6th July 2007 passed a ordinary resolution under section 293(1)(d) of the Companies Act, 1956, fixing the maximum amount of Rupees Three Hundred Crore, upto which the Board of Directors of the Company could borrow funds from financial institutions and banks in excess of the Company's paid-up capital and free reserves. According to the provisions of Section 180(1)(c) of the Companies Act, 2013 the Board of Directors has to obtain the consent of the Company by way of passing a special resolution to borrow funds from financial institutions and banks in excess of the Company's paid-up capital and free reserves. Hence Board places the resolution before the members for approval by passing special resolution. None of the directors, Key Managerial Personnel of the Company and their relatives are concerned or interested in the proposed resolution.

**No.14 ALTERATION OF MEMORANDUM OF ASSOCIATION OF THE COMPANY**

The proposed resolution for amendment of the Memorandum of Association is to include an enabling provision in the Memorandum of Association of the Company to enable the Company to make investment in the share capital of an existing Company or a new Company to be formed as a joint venture for improving the bussiness prospects of the Company and for rendering effective service to the society. Board of directors commends the resolution for members' approval. None of the Directors is interested or concerned in this resolution.

**No.15 ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY**

The proposed resolution for amendment of the Articles of Association is to include enabling provisions in the Articles of Association of the Company for (a) purchase of the Company's shares in accordance with the provisions of the Companies Act, 2013 and the Rules framed there under as deemed appropriate by the Board of Directors of the Company; (b) to provide that the Managing Director of the Company can also be Chairman of the Company, in accordance with the provisions of the Companies Act, 2013 and the Rules framed there under in the opinion of the Board of Directors of the Company; and (c) to record the change in the reference to various Sections, Chapters, Schedules, Tables, Rules and Regulations as stated in the Companies Act 1956 which is replaced by the Companies Act 2013 as and when the relevant Sections, Chapters, Schedules, etc are enforced by the Ministry of Corporate Affairs (MCA). None of the directors of the Company, except the Managing Director and other directors holding shares in the Company to the extent of their shareholding, is interested in the resolution.

**No.16 RATIFICATION OF REMUNERATION PAYABLE TO THE COST AUDITORS**

As recommended by the Audit Committee at the Audit Committee Meeting held on 29th May 2014, board of directors have approved the appointment of M/s. S.Mahadevan & Co., Cost Accountants for audit of the Cost accounts of the Company on payment of remuneration of Rs.2,50,000/- (excluding out of pocket expenses and service tax) for the financial year ending 31st March 2015. Board of directors has accepted the recommendation of the Audit committee and approved their appointment. As per the provisions of Section 148 of the Companies Act 2013 and Rule 14 of the Companies (Audit and Auditors) Rules 2014, remuneration payable to the cost auditor as approved by the Board of directors of the Company shall be ratified by the shareholders. Accordingly, Board places the resolution before the members for ratification of the remuneration as stated in the resolution. None of the directors or Key Managerial personnel or their relatives are concerned or interested in the resolution.



Item **EXPLANATORY STATEMENT FOR ITEMS No.4 to 17 (Contd.)**

No.17 ACCEPTANCE OF DEPOSITS FROM MEMBERS OF THE COMPANY

Section 73(2) of the Companies Act 2013 prescribes that approval of the members by passing a resolution at the General Meeting is required for the Board of Directors to accept deposits from the shareholders of the Company. However, the Act read with the rules framed thereunder prescribes certain procedure to be followed by the Company before accepting deposits from the members. After securing the approval of members at the AGM, board will decide about the timing for accepting deposits from the members after complying with the prescribed procedure in this regard. Accordingly, Board recommends the resolution for the approval of the members. None of the directors or Key Managerial Personnel or their relatives are concerned or interested in the resolution. Memorandum of Association and Articles of Association of the Company and other documents referred to in this notice are available at the registered office of the Company for inspection by members during business hours on working days.

Place: Salem

Date : August 13, 2014

By order of the Board

J.Asifa

Company Secretary

**Disclosure under Clause 49 of the listing agreement in respect of Directors seeking appointment at the 38th AGM**

Name of Director	Sri R.Selvarajan	Sri S.Devarajan	Sri M. Rajamani	Dr. A.Sarayu	Mr. P.S. Ananthanarayanan
DIN	00001703	00001910	00001930	06953362	00001759
Date of Birth	1-10-1944	12-09-1949	2-1-1931	10-03-1976	15-2-1935
Date of Appointment	23-10-2002	1979 AGM	1979 AGM	to be appointed at AGM	23-10-2002
Qualification	Matriculate	B.Sc.	Matriculate	M.B.B.S, M.S, ( O & G )	B.Ch.E, FCMA., A.M.I.I.Ch.E., M.C.M.I.
Expertise in specific functional areas	He became the Chairman and Managing Director of the Company on 23rd October, 2002 and has the distinction of leading the company since then. He has been on the Board of various companies and has more than four decades of experience in the field of textile industry. At present he is Director in SPMM Health Care Services Pvt. Ltd.	He is an Industrialist and he is the son of promoter Director Sri S.P. Sambandam. He was first appointed to the Board at the Annual General Meeting held in 1979 and has since been reappointed over the years by rotation. At present he is the Managing Director of Sambandam Spinning Mills Limited and SPMM Health Care Services Pvt. Ltd.	He is an industrialist and he is the son of Promoter, Sri K.R. Manicka Mudaliar. He is also a Director in Sambandam Investment and Leasing Limited. He has more than three decades of experience in the field of textiles.	She is a Medical Practitioner	He is a Chemical Engineer and a Cost and Management Accountant. He has over forty seven years of experience in various Companies before his retirement as Executive Director of Balmer Lawrie & Co, Ltd.
Directorships in other Companies	1. SPMM Health Care Services Pvt. Ltd., Salem (SPMM) 2..Sambandam Siva Textiles Pvt. Ltd., Salem (SSTPL) 3. Sambandam Investment Leasing Limited, Salem (SILL) 4. Sambandam Fabrics Private Ltd, Salem (SFPV) 5. Sambandam Textiles Private Ltd, Salem (STPL)	1.Sambandam Spinning Mills Limited, Salem (SSML) 2. SPMM Health Care Services Pvt. Ltd., Salem (SPMM) 3. Sambandam Siva Textiles Pvt. Ltd., Salem (SSTPL) 4.Sambandam Investment & Leasing Limited, Salem (SILL) 5.Sambandam Fabrics Pvt. Ltd. Salem 6. Sambandam Textiles Pvt. Ltd. Salem (STPL)	Sambandam Investment Leasing Limited, Salem	NIL	Sambandam Spinning Mills Limited, Salem (SSML)



**Disclosure under Clause 49 of the listing agreement in respect of Directors seeking appointment at the 38th AGM (Contd.)**

<b>Name of Director</b>	<b>Sri R.Selvarajan</b>	<b>Sri S.Devarajan</b>	<b>Sri M. Rajamani</b>	<b>Dr. A.Sarayu</b>	<b>Mr. P.S. Ananthanarayanan</b>
Memberships in Board Committees of other Companies	NIL	Chairman of Share Transfer Committee, Finance Committee CSR Committee and Member of Stakeholders Relationship Committee of SSML	NIL	NIL	Chairman of the Nomination and Remuneration Committee and Audit Committee and Member of CSR Committee of SSML
No of shares in the Company	7,78,730	92,227	1,22,067	53,090	NIL
Inter se relationship with any other director	He is related to Director Sri S.Vijay Shankar	NIL	NIL	She is related to Mr. S.Vijay Shankar, Director & CFO and also to CMD	NIL

<b>Name of Director</b>	<b>Dr. V.Gopalan</b>	<b>Mr. N.Asoka</b>	<b>Mr. S.Gnanasekharan</b>	<b>Mr. Kameshwar M.Bhat</b>
DIN	00018602	00127155	06796817	06951906
Date of Birth	14-7-1957	18-5-1953	29-5-1938	21-7-1964
Date of Appointment	19-01-2004	19-01-2004	14-2-2014	to be appointed at AGM
Qualification	ACA, ACMA, ACS, Ph.D	B.E.	ACS – Associate of ICSI.	M.Sc (Agri), CAIIB, PGDM
Expertise in specific functional areas	He is a financial consultant. He has held position as Vice President in ICICI Limited, Director - Finance and Company Secretary in Cognizant Technology Solutions India Limited.	He is an engineering graduate. He is the Managing Director of Spark Engineers Private Limited an ISO-9000 certified Company. He has more than two decades of experience in the filed of management.	He is the vice chairman of the Salem chapter of the ICSI and honorary counsellor of ICSI for Namakkal Dist. for the student community pursuing the Company Secretaryship course.	He has 25 plus years of experience in Banking, Financial Services and Retail Operations Management. He retired in the position of Assistant General Manager of Karnataka Bank Limited. Presently he is working in Bangalore as an Executive Officer of Maiyas Beverages and Foods Pvt. Ltd,
Directorships in other Companies	1. Sambandam Spinning Mills Limited, Salem 2. Janhar Management Consultancy Pvt. Ltd.	1. Spark Engineers Pvt. Ltd., Salem. 2. Sambandam Spinning Mills Limited, Salem	Sambandam Spinning Mills Limited, Salem	NIL
Memberships in Board Committees of other Companies	Member of the Audit, and Nomination and Remuneration Committee of SSML	Chairman of the Stakeholders Relationship Committee in SSML. Member of the Audit Committee and the Nomination and Remuneration Committee.	Member of Audit Committee of SSML.	NIL
No of shares in the Company	NIL	NIL	NIL	NIL
Inter-se relationship with any other director	NIL	NIL	NIL	NIL



**KANDAGIRI SPINNING MILLS LIMITED**

Corporate Identity Number (CIN) : L17111TZ1976PLC000762  
Registered Office : POST BAG NO.3, UDAYAPATTI P.O., SALEM – 636 140  
Tel : 0427 2244400 Fax : 0427 2244422  
Email : sales@kandagirimills.com Website : www.kandagirimills.com

**POSTAL BALLOT FORM ( In lieu of e-Voting at the AGM )**

1.	Name of Sole / First Member	
2.	Name(s) of Joint Member (s), if any	
3.	Registered Folio / DP ID / Client ID No.	
4.	Number of Shares held	

I / We hereby exercise my / our vote in respect of the Resolution(s) to be passed through Postal Ballot for the business stated in AGM Notice dated 13th August, 2014 of the Company by conveying my / our assent (Yes) or dissent (No) to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below.

SI No	Resolutions	Type of Resolution	No. of Shares Held	Yes	No
1.	ADOPTION OF FINANCIAL STATEMENTS	ORDINARY			
2.	APPOINTMENT OF SRI S.DEVARAJAN, DIRECTOR RETIRING BY ROTATION	ORDINARY			
3.	APPOINTMENT OF STATUTORY AUDITORS	ORDINARY			
4.	CONTINUATION OF SRI. R.SELVARAJAN, CHAIRMAN AND MANAGING DIRECTOR	SPECIAL			
5.	APPOINTMENT OF SRI P.S.ANANTHANARAYANAN, INDEPENDENT DIRECTOR	ORDINARY			
6.	APPOINTMENT OF Dr. V.GOPALAN, INDEPENDENT DIRECTOR	ORDINARY			
7.	APPOINTMENT OF SRI N.ASOKA, INDEPENDENT DIRECTOR	ORDINARY			
8.	APPOINTMENT OF SRI S.GNANASEKHARAN, INDEPENDENT DIRECTOR	ORDINARY			
9.	APPOINTMENT OF SRI KAMESHWAR M.BHAT, INDEPENDENT DIRECTOR	ORDINARY			
10.	APPOINTMENT OF DR. A.SARAYU, NON-EXECUTIVE DIRECTOR	ORDINARY			
11.	APPOINTMENT OF SRI M.RAJAMANI, NON-EXECUTIVE DIRECTOR	ORDINARY			
12.	AUTHORISING BOARD OF DIRECTORS FOR CREATION OF CHARGE/MORTGAGE ON THE PROPERTIES OF THE COMPANY	SPECIAL			
13.	AUTHORISING THE BOARD OF DIRECTORS FOR THE BORROWINGS	SPECIAL			
14.	ALTERATION OF MEMORANDUM OF ASSOCIATION OF THE COMPANY	SPECIAL			
15.	ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY	SPECIAL			
16.	RATIFICATION OF REMUNERATION PAYABLE TO THE COST AUDITORS	ORDINARY			
17.	ACCEPTANCE OF DEPOSITS FROM MEMBERS OF THE COMPANY	ORDINARY			

Note: 1) Kindly read the instructions printed overleaf (next page) before filling the form.

2) Last date for receipt of this Form by the Scrutinizer is 24.09.2014.

Place:

Date:

(Signature of Member)

## POSTAL BALLOT FORM INSTRUCTIONS

- 1) This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.
- 2) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.
- 3) Board of Directors has appointed **Sri S.Solaiyappan as the Scrutinizer** for the postal ballot.
- 4) The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Notice of the AGM.
- 5) SRI S.SOLAIYAPPAN, Practising Company Secretary, (ACS No.1573 and CP No.3573) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The results will be declared at the AGM of the Company. The results declared along with the Scrutinizer's Report will be available on the Company's Website within two (2) days of passing of the Resolutions at the AGM of the Company and the Results will also be communicated to the Bombay Stock Exchange and to the Madras Stock Exchange.

### Process and manner for Members opting to vote by using the Ballot Form

- 1) Please complete and sign the Ballot Form (no other form or photocopy thereof is permitted) and send it to **Sri. S.Solaiyappan, Scrutinizer, No. 25/11A-4, Guru Raghavendra Nagar, Yerikkarai Road, Reddiyur, Salem – 636 004**. Ballot Forms deposited in person or sent by post or courier at the expense of the Member will be accepted.
- 2) The Form should be signed by the Member as per the specimen signature registered with the Company/Depositories. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of vote by Ballot is not permitted through proxy.
- 3) In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/Authorization.
- 4) Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the column provided in the Ballot.
- 5) The voting rights of shareholders shall be in proportion of the shares held by them in the paid up equity share capital of the, Company as on August 14, 2014 and as per the Register of Members of the
- 6) Duly completed Ballot Form should reach the Scrutinizer not later than **Wednesday 24th September, 2014 (6.30. p.m. IST). Ballot Form received after 6.30 p.m. on 24.09.2014** will be strictly treated as if the reply from the Members has not been received.
- 7) A Member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate Form should reach the Scrutinizer not later than the date and time specified in serial no. 6 above.
- 8) Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
- 9) The decision of the Scrutinizer on the validity of the Postal Ballot Form and any other related matter shall be final.





**KANDAGIRI SPINNING MILLS LIMITED**

Corporate Identity Number (CIN) : L17111TZ1976PLC000762  
Registered Office : POST BAG NO. 3, UDAYAPATTI P.O., SALEM – 636 140,  
Tel : 0427 2244400, Fax : 0427 2244422  
Email : sales@kandagirimills.com  
Website : www.kandagirimills.com

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013  
and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : .....

Registered Address : .....

E-mail Id : .....

Folio No..... DP ID No ..... Client ID No .....

I / We, being the Member(s) of Kandagiri Spinning Mills Limited, holding ..... Shares hereby appoint

1. Name: .....E-mail Id .....

Address: .....

.....Signature....., or failing him

2. Name: .....E-mail Id .....

Address: .....

.....Signature....., or failing him

3. Name: .....E-mail Id .....

Address: .....

.....Signature....., or failing him

as my / our proxy to attend for me/us and on my / our behalf at the Thirty Eighth Annual General Meeting of the Company to be held at the Registered Office of SSML in Salem on Sunday, the 28th September 2014 at 11.30 a.m and at adjournment thereof in respect of such resolutions as are indicated below: (Please turn to next page)



**KANDAGIRI SPINNING MILLS LIMITED**  
**Corporate Identity Number (CIN) : L17111TZ1976PLC000762**

Registered Office : POST BAG NO. 3, UDAYAPATTI P.O., SALEM – 636 140,  
**Attendance Slip ( To be presented at the entrance )**

I hereby record my presence at the Thirty Eighth Annual General Meeting of the Company held at the Registered Office of SSML in Salem on Sunday, the 28th September 2014 at 11.30 a.m and any adjournment thereof

Folio No / Client ID No / DP ID No.....

Name of the Member ..... Signature.....

Name of the Proxyholder ..... Signature.....

- 1. Only Member / Proxyholder can attend the Meeting.
- 2. Member / Proxyholder should bring the AGM notice and the Annual Report for reference at the meeting

Please put a tick (✓) mark at the appropriate column against the respective Resolutions to record your assent (Yes) or your dissent (No). If you leave the 'Yes' or 'No' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner he / she thinks appropriate.

SI No	Resolutions	Type of Resolution	No. of Shares Held	Yes	No
1.	ADOPTION OF FINANCIAL STATEMENTS	ORDINARY			
2.	APPOINTMENT OF SRI S.DEVARAJAN, DIRECTOR RETIRING BY ROTATION	ORDINARY			
3.	APPOINTMENT OF STATUTORY AUDITORS	ORDINARY			
4.	CONTINUATION OF SRI. R.SELVARAJAN, CHAIRMAN AND MANAGING DIRECTOR	SPECIAL			
5.	APPOINTMENT OF SRI P.S.ANANTHANARAYANAN, INDEPENDENT DIRECTOR	ORDINARY			
6.	APPOINTMENT OF Dr. V.GOPALAN, INDEPENDENT DIRECTOR	ORDINARY			
7.	APPOINTMENT OF SRI N.ASOKA, INDEPENDENT DIRECTOR	ORDINARY			
8.	APPOINTMENT OF SRI S.GNANASEKHARAN, INDEPENDENT DIRECTOR	ORDINARY			
9.	APPOINTMENT OF SRI KAMESHWAR M.BHAT, INDEPENDENT DIRECTOR	ORDINARY			
10.	APPOINTMENT OF DR. A. SARAYU, NON-EXECUTIVE DIRECTOR	ORDINARY			
11.	APPOINTMENT OF SRI M.RAJAMANI, NON-EXECUTIVE DIRECTOR	ORDINARY			
12.	AUTHORISING BOARD OF DIRECTORS FOR CREATION OF CHARGE/ MORTGAGE ON THE PROPERTIES OF THE COMPANY	SPECIAL			
13.	AUTHORISING THE BOARD OF DIRECTORS FOR THE BORROWINGS	SPECIAL			
14.	ALTERATION OF MEMORANDUM OF ASSOCIATION OF THE COMPANY	SPECIAL			
15.	ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY	SPECIAL			
16.	RATIFICATION OF REMUNERATION PAYABLE TO THE COST AUDITORS	ORDINARY			
17.	ACCEPTANCE OF DEPOSITS FROM MEMBERS OF THE COMPANY	ORDINARY			

Signed this ..... day of September 2014

Signature of Member.....

Signature of Proxyholder(s).....

Affix  
Re.1  
Revenue  
Stamp



Note:

- 1) This Form 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, i.e. before 11.30 am on 26.09.2014.
- 2) Proxies submitted on behalf of Limited Companies, Societies, etc., must be supported by appropriate Resolutions / Authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- 3) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member is entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than 3 days advance notice in writing is given to the Company.

