

## SANDHYA SPINNING MILL LIMITED, RAJAPALAIYAM

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### NOTICE TO THE MEMBERS

Notice is hereby given that the 26<sup>th</sup> Annual General Meeting of the Company will be held at 11.30 A.M. on Tuesday, the 15<sup>th</sup> September, 2020. This Annual General Meeting is being conducted through Video Conferencing (VC), Other Audio Visual Means (OAVM), the details of which are provided in the Notes to this Notice. The following are the businesses that would be transacted at this Annual General Meeting.

### ORDINARY BUSINESS – ORDINARY RESOLUTION

1. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:  
“RESOLVED that the Company’s Audited Financial Statements for the year ended 31<sup>st</sup> March, 2020, and the Reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted.”
2. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:  
“RESOLVED that Smt. R. Sudarsanam (DIN: 00433926), who retires by rotation, be and is hereby re-appointed as Director of the Company.”
3. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:  
“RESOLVED that Shri S. Kanthimathinathan (DIN: 01124581), who retires by rotation, be and is hereby re-appointed as Director of the Company.”

### SPECIAL BUSINESS – SPECIAL RESOLUTION

4. To consider and pass the following Resolution, as a SPECIAL RESOLUTION:  
“RESOLVED that pursuant to the provisions of Section 13 and 61 (1) (a) and other applicable provisions if any of the Companies Act, 2013 –  
(a) The Authorized Share Capital of the Company be increased from ₹ 10,00,00,000/- (Rupees Ten Crores) to ₹ 20,00,00,000/- (Rupees Twenty Crores).  
(b) Clause V of the Memorandum of Association of the Company be altered as follows:  
“The Authorised Share Capital of the Company is ₹ 20,00,00,000/- (Rupees Twenty Crores only) divided into:  
i. 1,60,00,000 ( One Crore Sixty Lakhs) Equity Shares of ₹ 10 each.  
ii. 40,00,000 (Forty Lakhs) 7.50% Cumulative Redeemable Preference Shares of ₹ 10 each.”
5. To consider and pass the following Resolution, as a SPECIAL RESOLUTION:  
“RESOLVED that pursuant to Section 149, 152 and such other provisions as applicable of the Companies Act, 2013, and the Rules thereunder, Shri P.A.S. Krishnama Raja (DIN 00487322), Independent Director of the Company, Whose term ends on 18-05-2021 be re-appointed as Independent Director for another term of 5 years starting from 19-05-2021 to 18-05-2026.”

### SPECIAL BUSINESS – ORDINARY RESOLUTION

6. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:  
“RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 60,000/- (Rupees Sixty thousand only) plus applicable taxes and Out-of-pocket expenses payable to M/s. RKMS & Associates, Cost Audit Firm (Firm Registration No. 000335) appointed as the Cost Auditors of the Company by the Board of Directors, for the financial year 2020-21 for auditing the Cost Records relating to manufacture of textile products, be and is hereby ratified and confirmed.”

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

P.R. VENKETRAMA RAJA,  
CHAIRMAN

Chennai,  
24<sup>th</sup> June, 2020.

## SANDHYA SPINNING MILL LIMITED, RAJAPALAIYAM

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### NOTICE

#### NOTES:

- 1) Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of Special Business is annexed hereto;
- 2) The Company has chosen to conduct this Annual General Meeting through Video Conferencing, in view of COVID-19 virus outbreak. The Annual General Meeting would be conducted in accordance with the:-
  - (i) General Circulars No: 14/2020, 17/2020 and 20/2020 dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020 and 5<sup>th</sup> May, 2020, respectively, issued by Ministry of Corporate Affairs, Government of India and
  - (ii) such other instructions that may be issued by Statutory Authorities.

#### ATTENDING THE ANNUAL GENERAL MEETING THROUGH VIDEO CONFERENCE BY THE MEMBERS

- 3) The Company would be providing the Central Depository Services (India) Limited's (CDSL) system for the members to cast their vote through remote e-voting and participate in the Annual General Meeting through Video Conference. Members may access the same at <https://www.evotingindia.com> under shareholders / members login by using the remote e-voting credentials. The link for Video Conference will be available in shareholder / members login where the EVSN of Company will be displayed.
  - 4) The Members can join the Annual General Meeting in the Video Conference mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the Annual General Meeting through Video Conference will be made available to all the Members, Directors and Auditors.
  - 5) Members are requested to join the Meeting through Laptops / iPads for better experience and will be required to have webcam and use Internet with a good speed to avoid any disturbance during the meeting.
  - 6) Members are requested to use Stable Wi-Fi or LAN Connection to mitigate Audio / Video loss due to fluctuation in your network. Please avoid connecting through your Mobile Devices or Tablets or through Laptop via Mobile Hotspot.
  - 7) Members who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request at least 3 days prior to meeting mentioning your name, demat account number / folio number, email id, mobile number (as registered with the Depository Participant / Company) to the e-mail ID: **sandhya@ramcotex.com**. Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.
  - 8) Members who do not wish to speak during the AGM but have queries may send your queries at least 3 days prior to meeting mentioning your name, demat account number / folio number, email id, mobile number to the e-mail id: **sandhya@ramcotex.com**. These queries will be replied to by the company suitably by e-mail.
  - 9) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to **www.evotingindia.com** and register themselves in the "Corporates" module.
    - \* A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to **helpdesk.evoting@cdslindia.com**.
    - \* After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
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## SANDHYA SPINNING MILL LIMITED, RAJAPALAIYAM

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### NOTICE

- 16) In accordance with Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more have been transferred by the Company to IEPF. The shareholders / their legal heirs are entitled to claim the said shares and the dividend so transferred from the IEPF by making an online application. The procedure is available at [www.iepf.gov.in](http://www.iepf.gov.in)
- 17) Despatching of physical copies of the financial statements (including Director's report, Auditor's report or other documents required to be attached therewith), has been dispensed with. Such statements are being sent only by email to the members and to all other persons so entitled. The Annual Report will also be made available on the Company's Website – [www.sandhyaspinningmill.co.in](http://www.sandhyaspinningmill.co.in).
- 18) Voting through electronic means
- A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing members facility to exercise their right to vote at the 26<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through such e-Voting, through e-voting Services provided by Central Depository Services (India) Limited (CDSL).
- B. The facility for remote e-Voting shall remain open from 9.00 A.M. on Saturday, the 12<sup>th</sup> September, 2020 to 5.00 P.M. on Monday the 14<sup>th</sup> September, 2020. During this period, the Members of the Company, holding Shares either in physical form or in dematerialized form, as on the cut-off-date, viz., Wednesday, the 9<sup>th</sup> September, 2020, may opt for remote e-Voting. e-Voting shall not be allowed beyond 5.00 P.M. on 14<sup>th</sup> September, 2020.
- C. The facility for voting through electronic voting system shall also be made available at the meeting and members participating the meeting through video conferencing who have not already cast their vote by remote e-Voting shall be able to exercise their right at the meeting. If any votes are cast by the members through e-Voting available during the AGM and if the same members have not participated in the meeting through Video Conferencing, then the vote cast by such members shall be considered invalid as the facility of e-Voting during the meeting is available only to the members attending the meeting.
- D. The members who have cast their vote by remote e-Voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The instructions for e-Voting are as under:

- i) To log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com)
- ii) To Click on Shareholders module.
- iii) Now enter your User ID as given below:
  - For CDSL: 16 Digits beneficiary ID,
  - Members holding Shares in Physical Form should enter Folio Number registered with the Company (or) Alternatively, if the member has already registered for CDSL's EASI / EASIEST e-Services, he can login at <https://www.cdslindia.com> from login – Myeasi using the login credentials. On successful login to CDSL's EASI / EASIEST e-services, the Member should click on e-Voting option and proceed directly to cast the vote electronically.
- iv) Next enter the Captcha Code as displayed and Click on Login.
- v) PASSWORD
  - If you are holding Shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

## SANDHYA SPINNING MILL LIMITED, RAJAPALAIYAM

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### NOTICE

➤ If you are first time user follow the steps given below:

- (a) Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Shareholders as well as physical Shareholders).

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

In case the Folio No is less than 8 digits, enter the applicable number of 0's before the Folio No. to make it 8 digits after the first two characters of the name in CAPITAL letters. Eg. If your name is RAMAR N 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 your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.

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

If both of the above details are not recorded with the depository or Company, please enter the User ID [mentioned in (iii) above] in the Dividend Bank details field. After entering the required details, click on 'Submit' tab.

- vi) Members holding Shares in physical form will then directly reach the Company selection screen. However, members holding Shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used 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.
- vii) For members holding Shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- viii) Click on the relevant EVSN for SANDHYA SPINNING MILL LIMITED on which you choose to vote.
- ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or No as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions.
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiii) You can also take out print of the voting done by you clicking on "Click here to Print" option on the Voting page. It need not be sent to the Company.
- xiv) If demat account holder has forgotten the changed password, then Enter the User ID and Captcha Code and click on Forgot Password & enter the details as prompted by the system.

## SANDHYA SPINNING MILL LIMITED, RAJAPALAIYAM

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### NOTICE

- xv) Members can also cast their vote using CDSL's Mobile App "m-Voting". This App can be downloaded from the Google Play Store or Apple App Store. Please follow instructions as prompted by the Mobile App while casting your vote through remote e-Voting.
- xvi) Physical shareholders: Please provide Folio No., Name, e-mail id, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card, scanned copy of cancelled Cheque leaf bearing the name of the member along with the Specimen Signature of the Member duly attested by the Bank Manager, where the Member is operating his bank account [the attestation should clearly carry the particulars of the bank manager, viz. his staff serial number, name and branch details], by email to **sandhya@ramcotex.com**.
- xvii) Demat shareholders: please provide Name, e-mail id, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card, scanned copy of cancelled Cheque leaf bearing the name of the member along with the Specimen Signature of the Member duly attested by the Bank Manager, where the Member is operating his bank account [the attestation should clearly carry the particulars of the bank manager, viz. his staff serial number, name and branch details], to e-mail ID: **sandhya@ramcotex.com**. The Demat shareholder are also advised to update the above details with CDSL (i.e. Depository) through their Depository Participant where they are operating their Demat Accounts.
- xviii) Company shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.
- E. In case you have any queries or issues regarding attending AGM & 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** or contact Mr. Nitin Kunder (022-2305 8738) or Mr. Mehboob Lakhani (022-2305 8543) or Mr. Rakesh Dalvi (022-2305 8542). Alternatively, members may write to the Company Secretary at email Id: **sandhya@ramcotex.com** or contact at telephone number: 04563-235009.
- F. The voting rights of Shareholders shall be in proportion to the Shares held by them in the paid up equity Share capital of the Company as on Wednesday, the 9<sup>th</sup> September, 2020.
- 19) Shri K. Srinivasan, Chartered Accountant (Membership No: 21510), Partner, M/s. M.S. Jagannathan & N. Krishnaswami, Chartered Accountants will act as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- 20) The Scrutinizer shall immediately after conclusion of voting at the Annual General Meeting, unblock the votes cast through remote e-Voting in the presence of at least two witness not in the employment of the Company and make not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorised by him in writing who shall countersign the same and the Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.

Chennai,  
24<sup>th</sup> June, 2020.

By Order of the Board,  
For **SANDHYA SPINNING MILL LIMITED**,  
**P.R. VENKETRAMA RAJA**,  
**CHAIRMAN**

# SANDHYA SPINNING MILL LIMITED, RAJAPALAIYAM

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## NOTICE

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

#### Item No. 4

Presently the Authorized Share Capital of the Company is ₹ 10,00,00,000/- (Rupees Ten Crores only) comprising 60,00,000 Nos. of Equity Shares of ₹ 10 each and 40,00,000 Nos. of 7.50% Cumulative Redeemable Preference Shares of ₹ 10 each. The Paid-up Share Capital is ₹ 7,60,00,000/- (Rupees Seven Crores Sixty Lakhs) Share Capital of ₹ 4,60,00,000/- (Rupees Four Crores Sixty Lakhs) consisting of 46,00,000 Nos. of Equity Shares of ₹ 10/- each and ₹ 3,00,00,000/- (Rupees Three Crores) consisting of 30,00,000 Nos. of 7.50% Cumulative Redeemable Preference Shares of ₹ 10 each fully paid. It is proposed to infuse additional equity share capital of ₹ 10 Crores to meet out the fund requirement of the Company and to reduce the interest cost.

As recommended by your Directors, it is proposed to create, offer and allot additional 1,00,00,000 Nos. of Equity shares of ₹ 10/- each to the Equity Shareholders of the Company at par value of ₹ 10/- on Rights issue basis.

It is proposed to increase the Authorised Share Capital from the existing amount of ₹ 10 Crores to ₹ 20 Crores. In term of Section 13 and 61(1) (a) of the Companies Act, 2013. The Directors recommend the Resolution to the members for their approval of the Company as amendment in the following capital Clause "V" of Memorandum of Association of the Company.

#### EXISTING CLAUSE:

The Authorized Share Capital of the Company is ₹ 10,00,00,000 (Rupees Ten Crores only) divided into:

- i) 60,00,000 (Sixty Lakhs) Equity Shares of ₹ 10/- each.
- ii) 40,00,000 (Forty Lakhs) 7.50% Cumulative Redeemable Preference Shares of ₹ 10/- each.

#### PROPOSED CLAUSE:

The Authorized Share Capital of the Company is ₹ 20,00,00,000 (Rupees Twenty Crores only) divided into:

- i) 1,60,00,000 (One Crores Sixty Lakhs) Equity Shares of ₹ 10/- each.
- ii) 40,00,000 (Forty Lakhs) 7.50% Cumulative Redeemable Preference Shares of ₹ 10/- each.

#### Item No. 5

Shri P.A.S. Krishnama Raja (DIN: 00487322) aged 43 is a Non-Executive Independent Director of the Company.

At the Annual General Meeting held on 10-08-2016, Shri P.A.S. Krishnama Raja was appointed as Independent Director of the Company, for a period of 5 years from 19-05-2016 to 18-05-2021. In accordance with Section 149(10) of the Companies Act, 2013, he is eligible for re-appointment upon passing of a Special Resolution at the Annual General Meeting of the Company.

In accordance with Schedule IV of the Companies Act, 2013, the Board of Directors have evaluated the performance of Shri P.A.S. Krishnama Raja as an Independent Director and found the same to be satisfactory and his contributions to the deliberations were beneficial in Board / Committee Meetings.

On the basis of Performance Evaluation of Independent Directors, the Nomination and Remuneration Committee at its meeting held on 23-06-2020 had recommended to extend the term of office of Shri P.A.S. Krishnama Raja by re-appointing his for another period of 5 years starting from 19-05-2021 to 18-05-2026.

He has furnished a declaration Pursuant to Section 149(6) of the Companies Act, 2013 that he meets the criteria of Independent Director and hence eligible for re-appointment as as Independent Director. In accordance with Proviso to Section 152(5) of the Companies Act, 2013, the Board of Directors have also



## SANDHYA SPINNING MILL LIMITED, RAJAPALAIYAM

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### NOTICE

formed an opinion that Shri P.A.S. Krishnama Raja fulfils the conditions specified in the Companies Act, 2013 for such re-appointment.

Shri P.A.S. Krishnama Raja is eligible for sitting fee for attending Board / Committee Meetings as applicable to the Directors from time to time. His re-appointment is in accordance with Nomination and Remuneration policy of the Company.

His re-appointment has been included as Special Resolution and the Board of Directors recommend his re-appointment.

His profile in brief is given below:-

Shri P.A.S. Krishnama Raja, holds a Degree in Commerce. He has been on the Board of Sandhya Spinning Mill Limited since 2016. He has more than 20 years of experience in Textile Industry.

He is a Director in the following Companies:

1. Tirupathi YarnTex Spinners Private Limited
2. Thanjavur Spinning Mill Limited

He is also a Member in the following Committees:-

Name of the Company	Name of the Committee	Position Held (Chairperson / Member)
Thanjavur Spinning Mill Limited	Audit Committee	Member
	Nomination and Remuneration Committee	Member
	Stakeholders Relationship Committee	Member

He holds no shares in Sandhya Spinning Mill Limited.

The draft letter of re-appointment for Shri P.A.S. Krishnama Raja as an Independent Director, setting out the terms and conditions is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day upto the date of the Annual General Meeting.

#### Disclosure of Interest:

Except Shri P.A.S. Krishnama Raja, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is interested in the Resolution.

#### Item No. 6

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a Cost Auditor to audit the Cost Records of Company, relating to manufacture Textile Products for the financial year 2020-21.

On the recommendation of the Audit Committee at its meeting held on 23-06-2020, the Board had approved the appointment of M/s. RKMS & Associates, Cost Audit Firm as the Cost Auditors of the Company to audit the Company's Cost Records relating to manufacture of Textile products at a remuneration of ₹ 60,000/- (Rupees Sixty thousand only) plus applicable taxes and out-of-pocket expenses for the financial year 2020-21.

The remuneration of the Cost Auditor is required to be ratified by the Members in accordance with the provisions of Section 148(3) of the Act and Rule 14 of the Rules.

The Directors recommend the Resolution to the Members for their approval.

None of the Directors, Key Managerial Personnel or their relatives are deemed to be interested in this Resolution.

**By Order of the Board,**  
**For SANDHYA SPINNING MILL LIMITED,**  
**P.R. VENKETRAMA RAJA,**  
**CHAIRMAN**

Chennai,  
24<sup>th</sup> June, 2020.