

POLYSPIN EXPORTS LIMITED

Regd. Office: No.351, PACR Salai, Rajapalayam – 626 117
CIN: L51909TN1985PLC011683

NOTICE:

Notice is hereby given that **the Twenty Ninth Annual General Meeting** of the members of the company will be held at 9.30 A.M. on **Wednesday, the 3rd September, 2014**, at Sri Arjuna Manthiram, No. 21/ 595, Sri Krishna Colony, P.A.C.R. Salai, Rajapalayam, to transact the following business.

Ordinary Business:

1. To receive and adopt the Balance Sheet as at 31st March 2014, Profit and Loss Account for the period ended on that date and the reports of Directors and Auditors thereon.
2. To declare a Dividend.
3. To consider and if thought fit, to pass with or without modification, the following as an Ordinary resolution:-

Resolved that Sri. S.V. Ravi (DIN. 00121742), Director of the Company, who retires by rotation at the ensuing Annual General Meeting, be and is hereby appointed as Director of the Company, liable to retire by rotation.

4. To appoint Auditors and fix their remuneration. In this connection, to consider and if thought fit, to pass the following as an Ordinary Resolution:

Resolved that M/s. Krishnan & Raman, Chartered Accountants, the retiring Auditors of the company, be and are hereby appointed as Auditors of the company for a period of three years to hold office from the conclusion of this 29th Annual General Meeting till the conclusion of 32nd Annual General Meeting on a remuneration that may be fixed by the Board of Directors on the determination by the Audit Committee.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification, the following as a **SPECIAL RESOLUTION.**

RESOLVED that in accordance with the provision of Section 196, 197 and Schedule V, Part II, Section II of the Companies Act, 2013, approval and consent of the company be and is hereby accorded for the variation in the remuneration payable to Sri. R. Ramji, (DIN. 00109393), with effect from 1st June, 2014, on the following terms and conditions.

- a. Salary: Rs.3,50,000/- per month
- b. Commission: Three percent commission on the net profits of the Company subject to the ceiling of the total annual salary.
- c. Perquisites: Payment as per the Company's rules, subject to the provisions of Schedule V Part II Section II of the Companies Act, 2013 and Income Tax Act 1961. It shall be restricted to 50% of the salary per annum.

- d. Contribution: Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under Income Tax Act, 1961.
- e. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service
- f. Leave: Encashment of leave at the end of tenure.
- g. In case of inadequacy of profits the remuneration shall not exceed the limits as prescribed under Schedule V Part II Section II of the Companies Act, 2013
- h. Residual Duration: Two years (Up to 31st March, 2016).

6. To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED that Smt. Durga Ramji, (DIN: 00109397) who was appointed as additional director and holds office till the conclusion of the forthcoming Annual General Meeting, be and is hereby appointed as Director of the Company representing Women Directorship under section 149 (1) of the companies Act, 2013, subject to retirement by rotation.

7. To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION:**

RESOLVED that pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules thereon, Sri. K. Lakshminarayanan (DIN: 00122080), Director of the Company who is liable to retire by rotation, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years from 1th September, 2014 to 31st August, 2019

8. To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED that pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules thereon, Sri. S. Renganathan (DIN: 00403586), Director of the Company (who retires at this Annual General Meeting), be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years from 1st September, 2014 to 31st August, 2019.

9. To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION:**

RESOLVED that pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules thereon, Sri. A. Thiruppathy Raja (DIN: 00110840), Director of the Company, who is liable to retire by rotation, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years from 1st September, 2014 to 31st August, 2019.

10. To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION:**

RESOLVED that pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules thereon, Sri. S. Sankar (DIN: 00122325), Director of the Company, who is liable to retire by rotation, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years from 1st September, 2014 to 31st August, 2019.

11. To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION:-**

RESOLVED that pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 and the rules thereon, consent of the members of the company, be and is hereby accorded to the Board of Directors, to enter into contracts and arrangements for a period of five years with the related parties for a sum not exceeding Rs. 25 Crores each in a year with (a) Polyspin Limited and (b) Lankaspin Private Limited and for a sum not exceeding Rs. 1 Crore each in a year with (a) Cholapackaging Limited (b) Energyspin Private Limited and (c) Ganesh Agro Pack Private Limited.

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 all the resolutions passed earlier in this regard, the consent of the Company be and is hereby accorded to the Board of Directors under Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and the Articles of Association of the Company to borrow, from time to time, whether by way of loan in Indian rupees and / or Foreign Currency at their discretion, either from bank(s), Financial Institution(s), Bodies Corporate or any other lending institution(s) or persons , whether in India or abroad including moneys that may be borrowed by issue of debentures whether convertible or not, zero coupon bonds or such other securities as the Board in its absolute discretion determine on moneys to be borrowed together with the moneys already borrowed by the company (apart from temporary loans obtained or to be obtained from the company’s bankers in the ordinary course of business) may exceed the aggregate of the paid up capital and free reserves, that is to say, reserves not set apart for any specific purpose, of the company, provided that the maximum outstanding amount of moneys so borrowed by the Board shall at any time not exceed Rs. 100 Crores.

By order of the Board,

Place: Rajapalayam
Date : 16.07.2014

P.S.Ramanathan
Secretary

Notes:

1. The Register of members and the share transfer books of the Company will remain closed from 25.08.2014 to 03.09.2014 (both days inclusive) for annual closing.
2. **A member entitles to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy need not be a member of the company.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.

The Proxy form should be lodged with the company atleast 48 hours before the scheduled commencement of the meeting.

Revenue stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered invalid. It is advisable that the Proxy holder's signature may also be furnished in the Proxy Form, for identification purpose.

3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of details relating to special business is furnished below.
4. The dividend on the Equity shares as recommended by the Board will be paid on the approval of the members of the company to the eligible shareholders whose name appear in the Company's register of members as on 03-09-2014 and to the eligible beneficial owners whose name appear in the list provided by the Depositories – National Securities Depository Ltd and Central Depository Services (India) Ltd as on 24-08-2014.
5. Under the provisions of Section 205C of the Companies Act, 1956, dividends remaining unpaid for a period of over 7 years will be transferred to the Investor Education & Protection Fund of the Central Government. Thereafter no claim shall lie against the Fund or the Company and no payment will be made in respect of any such claims. Hence, the members who have not claimed their dividend relating to the earlier years may write to the Company for claiming the amount before it is so transferred to the Fund. The details of due dates for transfer of such unclaimed dividend to the said Fund are given below :

Financial Year ended	Dividend Percentage	Date of Declaration of Dividend	Last Date for claiming Unpaid Dividend	Due date for transfer to IEP Fund
31.03.2007	Nil	-	-	-
31.03.2008	7%	11.08.2008	10.08.2015	09.09.2015
31.03.2009	8%	22.08.2009	21.08.2016	20.09.2016
31.03.2010	10%	03.09.2010	02.09.2017	01.10.2017
31.03.2011	10%	05.09.2011	04.09.2018	03.10.2018
31.03.2012	10%	17.09.2012	16.09.2019	15.10.2019
31.03.2013	10%	23.09.2013	22.09.2020	21.10.2020

A sum of Rs. 1,98,547/- representing unpaid dividends for the year 31.03.2006 has been transferred to the Investor Education and Protection Fund on 17.10.2013 as required under section 205A of the Companies Act,1956.

The members are informed that under the provisions of Section 124(6) of the Companies Act 2013, the SHARES in respect of which unpaid and unclaimed dividend has been transferred under sub Section (5) to the fund SHALL ALSO BE TRANSFERRED TO THE FUND. The proviso provides that any claimant of shares transferred above shall be entitled to claim the transfer of shares from the Investor Education and Protection Fund on submission of documents prescribed.

6. Members holding shares in physical form are requested to notify immediately change in their address, if any, to the Company quoting their folio numbers and members holding shares in Electronic form to their respective depository participant.
7. Members are requested to kindly bring their copy of the Annual Report to the Annual General Meeting.
8. Members are requested to furnish and update their Email ID with Company and the Depository Participant. Members holding shares in Physical form are requested to dematerialize their holdings so as to enable the implementation of the Green Initiative.
9. **Electronic copy of the Notice of the 29th Annual General Meeting of the company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered email address, physical copies of the Notice of the 29th Annual General Meeting of the company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent in the permitted mode.**
10. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for 2013 – 14 will also be available on the Company's website www.polyspin.org for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Rajapalayam for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also write to the Company's email id:polyspinexportscs@gmail.com
11. Voting through electronic means:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, read with clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 29th Annual General Meeting by electronic means and the business may be transacted through e-voting service provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
- i. Open the e-mail and also open PDF file namely “Polyspin Exports Limited e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL:
<https://www.evoting.nSDL.com>.
 - iii. Click on Shareholder – Login
 - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both.

Please take utmost care to keep your password confidential.
 - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - viii. Select “EVEN” (E-Voting Event Number) of Polyspin Exports Limited as appearing in the Attendance Slip.

Now you are ready for e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - x. Upon confirmation, the message “Vote cast successfully” will be displayed.
 - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote,

to the Scrutinizer through e-mail to subral152@gmail.com with a copy marked to evoting@nsdl.com

xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):

i. Initial password is provided at the bottom of the attendance slip for the Annual General Meeting:

EVEN (E-Voting Event Number), user ID and password.

ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

C. Other Instructions:

i. The e-voting period commence on 28th August, 2014 (9.00 A.M) and ends on 30th August, 2014 (6.00 P.M). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 1st August, 2014 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

ii. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 1st August, 2014.

iii. Mr. B. Subramanian, Practicing Company Secretary (Membership No. F2152 & C.P. 2275) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

iv. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of atleast two witnesses not in the employment of the company and make a Scrutinizer Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

v. The result shall be declared on or after the Annual General Meeting of the Company. The results declared along with Scrutinizer's Report shall be placed on the Company's website www.polyspin.org and the website of NSDL within two days of passing the resolution at the Annual General Meeting of the company and communicated to the stock exchanges.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013:

Item No. 5

Sri. R. Ramji, (DIN. 00109393), was first appointed as Managing Director by the Board of Directors in the meeting held on 28th March, 2013. The appointment was made subject to the provisions of section 198, 309 and 310 read with schedule XIII of the Companies Act, 1956. The period of appointment was made for three years on a monthly remuneration of Rs. 2,50,000/- together with commission, perquisites and other benefits. The company has performed well under his management. The turnover has crossed Rs. 100 Crores and the yarn manufacturing plant is functioning well. The Nomination and Remuneration Committee has recommended an increase in the monthly remuneration commensurate with the structure of the Industry.

Hence, the special resolution to enable the board to pay the increased remuneration which is subject to the provisions of section 196, 197 Schedule V Part II Section II of the Companies Act, 2013.

None of the Directors and key management personnel except Sri. R. Ramji, Sri. S.V. Ravi and Smt. Durga Ramji are interested in the Resolution.

A copy of the appointment letter together with terms and conditions is available for inspection by the members at the registered office of the company.

Sri. R. Ramji is the Director in the following Companies

S. No.	Name of the Company	Designation
1.	Polyspin Exports Limited	Managing Director
2.	Lankaspin Private Limited, Sri Lanka	Director
3.	Polyspin Limited	Director
4.	Energyspin Private Limited	Director
5.	Ramji Investments Private Limited	Director

Information required to be provided as per the provisions of Section II (A) (iv) of Schedule of the Companies Act, 2013

I.GENERAL INFORMATION:

1. Nature of Industry : Manufacturing
2. Date of Commercial Production : Already Under Production
 1. FIBC Bags, Fabrics, Yarn
 2. Open End Spinning Yarn
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable

4. Financial Performance:

<u>Particulars</u>	Rupees in Lakhs		
	2011 – 12	2012 – 13	2013 – 14
Sales	: 5797.10	8277.75	11985.67
Profit before Interest & Depreciation	: 603.89	658.43	1029.28
Profit after Interest & Depreciation	: 238.08	152.72	459.61
Profit after Tax	: 159.12	101.29	315.30
Dividend (10%)	: 40.00	40.00	(12%) 48.00
Net worth	: 936.72	991.52	1249.98
EPS	: 3.98	2.53	7.88

5. Export performance and net foreign exchange earnings:

<u>Particulars</u>	Rupees in Lakhs		
	2011 – 12	2012 – 13	2013 – 14
Exports – earnings in Foreign exchange	: 5393.14	5967.80	8149.51
Foreign exchange out Flow	: 3272.64	2419.49	4010.20

II. INFORMATION ABOUT THE APPOINTEE:

1. Background : 22 Years experience in Woven sack Industry
2. Past Remuneration : Rs.31.02 (2013 – 14)
(Salary & Perquisites (Rupees in Lakhs))
3. Recognition or awards :For Export performance and safety to the Company
4. Job profile and his suitability :
 1. Over all control of Business of the Company as Managing Director
 2. Sustained Growth
 3. Stability
 4. Development
 5. Export Marketing
 6. Enhancing Share value
 7. Increase in turn over
 8. Consistent Dividend
 9. Diversification into new products

5. Remuneration proposed:

Remuneration as per the Resolution passed by the Board of Directors and set out in the Notice. No sitting fee is paid.

III. OTHER INFORMATION:

1. Inadequate profits:

The company has been consistently making profit and has been paying dividends. The company seeks the approval of the shareholders for the payment of the proposed remuneration only in the event of the

company having no profits or inadequate profit as per the provisions, conditions and ceiling limits provided in schedule V.

2. Steps Taken:

The company has implemented the expansion programme which will pave way for increased production and profitability.

3. Expected increase in productivity and profit:

It is expected that the sale volume will increase by 20% per annum and the profit substantially subject to the market – conditions.

IV. DISCLOSURES:

The information and explanation may be taken as disclosure under the listing agreement.

Item No. 6

Smt. Durga Ramji, (DIN: 00109397) was appointed as an additional Director representing Women Director under the provisions of Section 149 (1) of the Companies Act, 2013. She holds office till the conclusion of this Annual General Meeting. Being eligible offers herself for appointment as Director of the company representing Women Directorship.

The company has received a notice along with a deposit of Rs.1,00,000/- under provisions of Section 160 of the companies Act, 2013, from a member signifying intention to propose the appointment of Smt. Durga Ramji, a Non - Executive Director of the company

She has much experience in corporate management and export marketing. She is a Director in Polyspin Limited, Energyspin (P) Limited, Lankaspin Private Limited and Ramji Investments Private Limited

None of the Director except Smt. Durga Ramji and R. Ramji are interested in the above resolution.

Item No. 7

Sri. K. Lakshminarayanan (DIN. 00122080) is a Director of the company who is liable to retire by rotation. Pursuant to the provisions of Section 149 of the Companies Act, 2013, he is proposed to be appointed as an Independent Director for a period of five years.

The company has received a notice along with a deposit of Rs.1,00,000/- under the provisions of Section 160 of the companies Act, 2013, from a member signifying intention to propose the appointment of Sri. K. Lakshminarayanan, as an independent Director of the company.

Sri. K. Lakshminarayanan, B.Com, C.A.I.I.B., is a retired Executive Director of Canara Bank. He has the vast experience in Banking and finance. He is the Chairmen of Audit committee of the Company. He is director of M/s. Ramji Investments Private Limited.

He will be an Independent and Non – Executive Director.

None of the Directors except Sri. K. Lakshminarayanan is interested in the above resolution.

In the opinion of the Board of Directors of the Company, the Independent Directors proposed to be appointed fulfills the condition stipulated in the Act and the rules made thereunder and the proposed Director is Independent of the Management.

Item No. 8

Sri. S. Renganathan (DIN. 00403586) is a Director of the company who is liable to retire by rotation. Pursuant to the provisions of Section 149 of the Companies Act, 2013, he is proposed to be appointed as an Independent Director for a period of five years.

The company has received a notice along with a deposit of Rs.1,00,000/- under the provisions of Section 160 of the companies Act, 2013, from a member signifying intention to propose the appointment of Sri. S. Renganathan, as an independent Director of the company.

Sri S. Renganathan has rich experience in construction chemicals and has to his credit the introduction of many innovative products used in the construction industry.

Being an industrialist for the past twenty five years, his association would immensely benefit the company.

He is a member in the Board of Directors of the following companies:-

1. Vijay Constro Chemicals Private Limited.
2. Vijay Adhesives Private Limited.

He will be an independent and Non – Executive director.

None of the Directors except Sri. S. Renganathan, is interested in the above resolution.

In the opinion of the Board of Directors of the Company, the Independent Directors proposed to be appointed fulfills the condition stipulated in the Act and the rules made thereunder and the proposed Director is Independent of the Management.

Item No. 9

Sri. A. Thiruppathy Raja (DIN. 00110840), is a Director of the company who is liable to retire by rotation. Pursuant to the provision of Section 149 of the Companies Act, 2013, he is proposed to be appointed as an Independent Director for a period of five years.

The company has received a notice along with a deposit of Rs.1,00,000/- under the provisions of Section 160 of the companies Act, 2013, from a member signifying intention to propose the appoint of Sri. A. Thiruppathy Raja, as an independent Director of the company.

Sri. A. Thiruppathy Raja, B.A., has vast experience in Textile and Yarn Business.

He will be an Independent and Non – Executive Director.

None of the Directors except Sri. A. Thiruppathy Raja, is interested in the above resolution.

In the opinion of the Board of Directors of the Company, the Independent Directors proposed to be appointed fulfills the condition stipulated in the Act and the rules made thereunder and the proposed Director is Independent of the Management.

Item No. 10

Sri. S. Sankar, (DIN. 00122325) is a Director of the company who is liable to retire by rotation. Pursuant to the provision of Section 149 of the Companies Act, 2013, he is proposed to be appointed as an Independent Director for a period of five years.

The company has received a notice along with a deposit of Rs.1,00,000/- under the provisions of Section 160 of the companies Act, 2013, from a member signifying intention to propose the appointment of Sri. S. Sankar, as an independent Director of the company. He has vast experience in global corporate enterprises.

Sri. S. Sankar, FCA., is a Chartered Accountant and Management Consultant. He is a member of Audit Committee of the Company.

He is a member in the Board of Directors of the following companies:-

1. Corporate Advizory Group Private Limited
2. Chennai Corporate Financial Services Private Limited
3. Port and Infrastructure Consultancy (Madras) Private Limited
4. CEEL EPC Limited
5. Sankar Power Projects Consultancy Private Limited
6. MSA Holding Private Limited
7. Wingreen Energy Infra Private Limited
8. Emgee Advisory Services Private Limited
9. Polysoft ISW Tech Convergence Private Limited

He will be an Independent and Non – Executive Director.

None of the Directors except Sri. S. Sankar, is interested in the above resolution.

In the opinion of the Board of Directors of the Company, the Independent Directors proposed to be appointed fulfills the condition stipulated in the Act and the rules made thereunder and the proposed Director is Independent of the Management.

Item No.11

Pursuant to Section 188 of the Companies Act, 2013 and the Companies (Meeting of Board and its power) Rules, 2014, no contracts or arrangement with a related party with respect to the transactions specified in that Section can be entered by our Company, other than transactions which are entered in the ordinary course of business on an arm's length basis without the consent of the shareholders by special resolution.

In view of the growing operations and in particular the export sales, the company is required to enter into the contract and agreements for sale, purchase, trade, avail and render job work with the related parties.

Even though the transactions will be entered in the ordinary course of business of the company on an arm's length basis, as good Corporate Governance the consent of the shareholders by way of special resolution pursuant to Section 188 of the Companies Act, 2013 and the Rules made thereunder is being requested to enable the Board to enter into contracts for Sale, Purchase or supply of raw materials, Compounds and

Finished goods and to avail and render job works with the above related parties for a period of five years with effect from the date of execution of the contracts for the amount as mentioned in the resolution with each related parties

Sri. R. Ramji, Managing Director, Sri. S.V. Ravi, Sri S.R. Subramanian and Smt. Durga Ramji Directors are interested in this resolution as they have the following interests in the related parties.

<u>S. No.</u>	<u>Name</u>	<u>Interested Director</u>	<u>Nature of interests</u>
1.	Polyspin Limited	Sri. R. Ramji, Smt. Durga Ramji	Directors
2.	Lankaspin Private Limited	Sri. R. Ramji, Smt. Durga Ramji	Directors
3.	Cholapackaging Limited	Sri. S.V. Ravi	Managing Director
4.	Energyspin Private Limited	Sri. R. Ramji, Smt. Durga Ramji	Directors
5.	Ganesh Agro Pack (P) Ltd	Sri. S. R. Subramanian, Sri. S.V. Ravi.	Directors

Item No.12

An ordinary resolution was passed at the general meeting held on 5th September, 2011 according consent under Section 293 (1) (d) of Companies Act, 1956 to borrow money in excess of the aggregate of the paid up capital of the company and its free reserves, provided that the maximum amount of moneys so borrowed by the Board of Directors shall not, at any time, exceed Rs. 50 Crores. The said resolution is current and continues to be in force.

Meanwhile under Section 180 Companies Act, 2013, which was put into force from 12th September, 2013, Board of Directors of a company can borrow money exceeding the aggregate of paid-up capital and free reserves only with the consent of the shareholders by special resolution as against ordinary resolution under Section 293 (1) (d) of Companies Act, 1956.

Although the said ordinary resolution passed on 5th September, 2011 is current and continues to be in force, as a matter of abundant caution, the Board of Directors recommend the above special resolution as set out in the notice for your approval.

None of the Directors, Key managerial personnel of the company and their relatives are interested or concerned in the aforesaid resolution.

By order of the Board,

Place: Rajapalayam
Date : 16.07.2014

P.S.Ramanathan
Secretary