



Pranavaditya Spinning Mills Limited

Registered Office : Office No. 2, Plot No. 266, Village Alte, Kumbhoj Road,
Taluka Hatkanangale, District Kolhapur 416 109, Maharashtra.

CIN: L17119PN1990PLC058139

e-mail: investors@pranavaditya.com

POSTAL BALLOT NOTICE (Pursuant to Section 110 of the Companies Act, 2013)

Dear Shareowner(s),

Notice is hereby given to the members for passing the resolution appended below for creation of charges on the Company's assets under Section 180(1) (a) of Companies Act, 2013 through Postal Ballot pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rule, 2014, as a Special Resolution. The Explanatory Statement pursuant to Section 102 of Companies Act, 2013 pertaining to the said Resolution setting out material facts and reasons thereof is annexed hereto along with a Postal Ballot Form and postage prepaid envelope.

SPECIAL BUSINESS

Creation of Charges on the Company's assets and in this regard to consider and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED that in supersession of the Resolution passed at the Annual General Meeting of the Company held on 25th August, 2012 and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), the consent of the Members 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 create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the management and concern of the Company in certain events, to or in favour of the Banks/Financial Institutions, other investing agencies and trustees for the holders of debentures/ bonds and/ or other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/ fully convertible or non-convertible and/ rupee/foreign currency convertible bonds and/or bonds with share warrants attached (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said Loans, shall not, at any time exceed the limit of 1,200 crores."

"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 this Resolution."

By Order of the Board of Directors

Abhishek Thareja
Company Secretary and Compliance Officer

14th July, 2014

Notes:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed hereto.
2. The Board of Directors vide resolution passed on 14th May, 2014 has appointed Mr. C.V. Kulkarni, Practicing Company Secretary (Membership No. FCS 3342, CP No. 2792) as Scrutinizer to receive and scrutinize the completed ballot papers from the members. The Postal Ballot form and the self addressed business reply envelope are enclosed for use of the members.
3. Notice is being sent to all equity shareholders, whose names appear on the Register of Members/ List of Beneficial Owners maintained by Depositories as on Friday, 4th July, 2014. Voting rights shall be reckoned on the paid-up value of the shares registered in names of the Members as on Friday, 4th July, 2014.

Instructions for voting

Voting through physical Postal Ballot Form

4. You are requested to carefully read the instructions printed in the Postal Ballot Form, fill up the Form, give your assent or dissent on the resolution and sign the same and return the form duly completed in the attached self-addressed, postage prepaid envelope so as to reach the scrutinizer before the close of working hours (5:00 p.m.), on or before, 23rd, August 2014. Please note that any Postal Ballot Form(s) received after the said date will be treated as not having been received.
5. Members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy thereof is permitted. Envelopes containing Postal Ballot Form if deposited in person or sent by courier at the expense of the members will also be accepted.

E-Voting Facility

6. The Company is pleased to offer e-Voting facility as an alternative to its Members, to enable them to cast their vote electronically instead of dispatching Postal Ballot Form.
7. The e-Voting period will commence on Friday, 25th July, 2014 (10:00 a.m.) and end on Saturday, 23rd August, 2014 (5:00p.m.) (both days inclusive). During this period Members, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by CDSL thereafter. Please note that once the vote on a resolution has been cast, Members cannot change it subsequently.

The procedure for e-Voting is as under:

- ✓ Open your web browser during the voting period and log on to the e-Voting website www.evotingindia.com.
- ✓ Click on the "Shareholders" tab to cast your votes.
- ✓ Select the "Electronic Voting Sequence Number (**EVS**N)" along with "Pranavaditya Spinning Mills Limited" from the drop down menu & click on 'SUBMIT'.
- ✓ Fill up the following details in the appropriate boxes:

User-ID	<p>For the Members holding shares in Demat form:</p> <p>a) For NSDL:- 8 characters DP ID followed by 8 digits Client ID</p> <p>b) For CDSL:- 16 digits beneficiary ID</p> <p>For the Members holding shares in Physical form:</p> <ul style="list-style-type: none"> Folio Number registered with the Company
Password	Your Unique password is printed on the Postal Ballot Form
PAN*	<p>Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department</p> <p>*In case of shares held in Physical Form enter the Default Number as provided by the R & T Agent.</p>

- ✓ After entering these details appropriately, click on "SUBMIT".
- ✓ The Members holding shares in physical form will then reach directly to the voting screen. However, the Members holding shares in demat form will now be required to mandatorily change their password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The Members can enter their demographic details i.e., Mobile number and e-mail ID, E-mail ID may be used in case the Member forgets the password and the same needs to be reset. Kindly note that the changed password can be used by the demat shareholders for voting for resolution of any other company in which they are eligible to vote, provided that company opts for e-Voting through CDSL e-Voting platform. However, for the shareholders holding shares in physical form, the password and default number can only be used for e-Voting on the resolution contained in this Postal Ballot Notice.
- ✓ If you are holding shares in Demat form and had logged on to www.evotingindia.com and had cast your vote earlier for EVSN of any company, then your existing login ID and password have to be used.
- ✓ On the voting page, you will see Resolution description & option for voting Yes/No against Resolution Description. The option 'Yes' implies that you assent to the Resolution & 'No' implies that you dissent to the Resolution.
- ✓ Click on the "Resolution File Link" if you wish to view the entire resolution file.
- ✓ Enter the number of shares (which represents number of votes) under YES/NO, but not exceeding your total holding.
- ✓ 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" & accordingly modify your vote.
- ✓ Once you have confirmed your vote on the Resolution, you will not be allowed to modify your vote.
- ✓ Institutional Members (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 authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail at scrutinizer@cvkcs.ev@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.

- ✓ Kindly note that the Members can opt only one mode of voting i.e. either by Physical Ballot or e-Voting. If you are opting for e-Voting, then do not vote by Physical Ballot also & vice-versa. However, in case the Member(s) cast their vote both via Physical voting & e-Voting, then voting validly done through e-Voting shall prevail and voting done by Physical Ballot shall be treated as invalid.
- ✓ E-Voting needs to be exercised before the close of working hours i.e. 5.00 p.m. on Saturday, 23rd, August 2014 for the vote exercised to be treated as valid.
- ✓ If you wish to provide feedback on the e-Voting system or you have any queries or issues regarding e-Voting, please contact helpdesk.evoting@cdslindia.com.

General

- 1) The Scrutinizer will submit the report to the Chairman after completion of the scrutiny and the results of the Postal Ballot will be declared by the Chairman or any other person authorised by him in this regard, at 12:00 Noon, on Thursday, 28th August, 2014 at Plot No. 266, Village Alte, Taluka Hathkanangle, Kumbhoj Road, District Kolhapur, 416 109, Maharashtra. The results of the Postal Ballot will be communicated to the BSE Limited for the information of the Members. The date of declaration of the Postal Ballot results will be taken as the date of passing the Resolution.
- 2) The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act").

At present the Company can borrow and create a charge by way of mortgage/hypothecation up to a limit of Rs. 700 Crores. Present borrowings/charges are well within specified approved limit of Rs. 700 Crores. However, considering the expansion/growth in the business operations of the Company, in the coming years, it is proposed to increase the limit for creating charge on the Company's assets from Rs. 700 Crores to Rs. 1200 Crores, as an enabling provision.

The board analyses and approves each proposal of borrowing before its acceptance and conclusion. Company follows prudential norms as assessed and evaluated by the Banks/Financial Institutions from time to time. Hence it is proposed to raise the existing limits to Rs. 1,200 Crores for which the members' approval is sought under section 180 (1)(a) of the Companies Act, 2013, by way of a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives, is in any way concerned or interested in the said Resolutions.

By Order of the Board of Directors

Abhishek Thareja
Company Secretary and Compliance Officer

14th July, 2014