



Pranavadiya Spinning Mills Limited

CIN: L17119PN1990PLC058139

Registered Office: Office No. 2, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale,
District Kolhapur-416109, Maharashtra

Tel No: (0230)-2463100/2461929

Website: www.pranavadiya.com; **E-mail:** investors@pranavadiya.com

NOTICE OF POSTAL BALLOT

Dear Member(s),

NOTICE is hereby given, pursuant to the Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and Rule 22 of the Companies (Management and Administration) Rules, 2014, (“Rules”), as amended from time to time read with the General Circular No.14/2020 dated April 8, 2020, General Circular No.17/2020 dated April 13, 2020, General Circular No. 33/2020 dated September 28, 2020 and General Circular No. 39/2020 dated December 31, 2020 issued by the Ministry of Corporate Affairs (“MCA”) (hereinafter collectively referred to as “MCA Circulars”), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Secretarial Standard - 2 issued by the Institute of Company Secretaries of India and other applicable laws and regulations, if any, for seeking approval of the members of Pranavadiya Spinning Mills Limited (“the Company”) through Postal Ballot by voting through electronic means (“Remote e-voting”) only for the resolutions proposed to be passed as Special Resolutions set out hereinafter.

In compliance with the aforesaid provisions and MCA circulars, this Postal Ballot Notice is being sent through electronic mode only to all its Members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent (“RTA”) /Depositories and whose names appear in the Register of Members / List of Beneficial Owners maintained by the Company/RTA/Depositories as on Friday, January 29, 2021 (“Cut-off Date”) If your e-mail address is not registered with the Company/RTA/Depositories, please follow the process provided in the Notes (Point No: 3) for registration of E-mail ID and for procuring login ID and password for remote e-voting. The communication of the assent or dissent of the Members would only take place through the remote e-voting system. In compliance with the requirements of the MCA Circulars, hard copy of the Postal Ballot Notice along with the Postal Ballot Forms and Pre-paid Business Reply Envelope will not be sent to the members for this Postal Ballot.

Pursuant to the Regulation 44 of the Listing Regulations and the provisions of Section 108 of the Act read with the Rules, the Company has provided to all the members (whether holding shares in physical or in dematerialized form) the facility to exercise their right to vote on the proposed resolutions included in this Notice of the Postal Ballot by remote e-voting, through the platform of National Securities Depository Limited (“NSDL”).

The remote e-voting period commences from 9.00 a.m. (IST) on Saturday, February 6, 2021 and ends at 5.00 p.m. (IST) on Sunday, March 7, 2021. The remote e-voting module shall be disabled by NSDL after 5.00 p.m. (IST) on Sunday, March 7, 2021 for voting thereafter. Members are requested to follow the procedure stated in the Notes and instructions which forms the part of this Notice for remote e-voting.

In accordance with Rule 22 (5) of the Rules, the Board of Directors of the Company has appointed Mr. Vikas R. Chomal, Practicing Company Secretary (Membership No: A24941, COP No: 12133), Proprietor of Vikas R. Chomal & Associates., to act as the Scrutinizer for conducting the Postal Ballot through remote e-Voting process, in a fair and transparent manner. The Scrutinizer will submit his Report to the Chairman of the Company, after completion of scrutiny of votes cast by remote e-voting. The results of the Postal Ballot will be announced within 48 hours after the conclusion of remote e-voting i.e on or before Tuesday, March 9, 2021. The results declared along with the Scrutinizer’s Report will be placed on the website of the Company at www.pranavadiya.com and on the website of NSDL at www.evoting.nsdl.com and will be communicated to BSE Limited where the equity shares of the Company are listed.

PRANAVADITYA SPINNING MILLS LIMITED

PROPOSED RESOLUTIONS:

Item No: 1

Lease of Substantially Whole of the Undertaking to Indo Count Industries Limited, Holding Company

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a), Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with relevant Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the enabling provisions in the Memorandum of Association and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and subject to such other approvals, sanctions, consents and permissions as may be required, the approval of the members of the Company be and is hereby accorded to the Company for leasing land along with buildings and structures thereon at Plot No. 266, Village Alte, Taluka Hatkanangale, Kolhapur, Maharashtra and certain machineries and equipment of the Company situated at its factory which constitutes substantially whole of the undertaking of the Company under section 180(1)(a) of the Act to Indo Count Industries Limited (ICIL), the Holding Company at arm’s length basis for such value and on such other terms and conditions as may be mutually decided with ICIL;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to negotiate and finalize the terms and conditions of aforesaid lease transaction with ICIL, execute lease deed and any other necessary documents with effect from such date and in such manner as may be decided by the Board and to do all such acts, deeds and things as may be required in this regard and to delegate all or any of its powers herein conferred to any Director or Key Managerial Personnel of the Company to give effect to this resolution.”

Item No: 2

Lease of Certain Machineries and Equipment to Third Parties

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with relevant Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the enabling provision in the Memorandum of Association and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and subject to such other approvals, sanctions, consents and permissions as may be required, approval of the members of the Company, be and is hereby accorded to the Company for leasing certain machineries and equipment of the Company situated at its factory at Plot No. 266, Village Alte, Taluka Hatkanangale, Kolhapur, Maharashtra which may constitute substantially whole of the undertaking of the Company under section 180(1)(a) of the Act to any other person(s) / third parties (viz. Individual, Firm, LLP, Bodies Corporate, Company, any other entity etc.) for such consideration/value and on such other terms and conditions as may be mutually decided between the Company and lessee(s);

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to negotiate and finalize the terms and conditions of aforesaid lease transaction with lessee(s), execute lease deed and any other necessary documents with effect from such date and in such manner as may be decided by the Board and to do all such acts, deeds and things as may be required in this regard and to delegate all or any of its powers herein conferred to any Director or Key Managerial Personnel of the Company to give effect to this resolution.”

**By order of the Board
For Pranavaditya Spinning Mills Limited**

**Amruta Avasare
Company Secretary
M. No: A18844**

Date: January 16, 2021

Place: Mumbai

Registered Office:

Office No. 2, Plot No. 266,

Village Alte, Kumbhoj Road,

Taluka Hatkanangale, Dist. Kolhapur – 416109

Notes:

1. An Explanatory Statement, pursuant to the provisions of Sections 102 and 110 of the Companies Act, 2013 (“Act”), read with the Rule 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”), stating all material facts and reasons pertaining to the above proposed resolutions contained in this Postal Ballot Notice is annexed hereto.
2. A copy of this Postal Ballot Notice will be available on the Company’s website www.pranavaditya.com and also on the websites of the BSE Limited and National Securities Depository Limited (“NSDL”) i.e. www.bseindia.com and www.evoting.nsdl.com respectively.
3. In compliance with the provisions of MCA General Circular No.14/2020, No.17/2020, No. 33/2020 and No. 39/2020 dated 8th April, 2020, 13th April, 2020, 28th September, 2020 and 31st December, 2020 respectively, the Company has sent this Postal Ballot Notice through email / electronic mode only to all the Members, whose names appear in the Register of Members / List of Beneficial Owners maintained by the Company/RTA/Depositories as on Friday, January 29, 2021 (“**Cut-off Date**”) and who have registered their e-mail addresses with the Company/RTA/ Depositories. A person who is not a Member on the cut-off date should treat this notice for information purpose only.

The process for those Members whose email addresses are not registered with the Company/Registrar and Transfer Agent/ Depositories Participants is given below. Members are requested to follow below procedure for Registration/updating Email ID, Bank details, Mobile Number & other details:

- **Shareholders holding Shares in Physical Mode:** Such Shareholders are requested to register their e-mail ID and Bank details with the Registrar and Share Transfer Agent of the Company, viz., Bigshare Services Private Limited (“Bigshare”) on its website (www.bigshareonline.com) at web-link: <https://www.bigshareonline.com/InvestorRegistration.aspx>. Once the link is clicked, members are requested to follow the procedure as will be prompted by the system. Apart from the changes in email id, any other changes can be intimated to Bigshare at investor@bigshareonline.com or to the Company at investors@pranavaditya.com.
 - **Shareholders holding Shares in Dematerialized Mode** Such Shareholders are requested to contact their Depository Participant(s) for any changes in their details with respect to change in their email, bank details, mobile number, PAN and any other detail. For temporary registration, the procedure in above point can be followed.
 - **For procuring Login ID & Password**, members are requested to send request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and password for casting the vote.
4. All the relevant documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection by the Members at the Registered Office of the Company during working hours on all working days, except Saturdays, Sundays and National Holidays between 11.00 a.m. and 1.00 p.m. upto the date of declaration of the results of Postal Ballot. Additionally, for online inspection, members who wish to inspect relevant documents referred to in the accompanying Notice and the Explanatory Statement are requested to send an email to investors@pranavaditya.com.
 5. The voting rights of Members for electronic voting shall be in proportion to the paid up value of their shares in the equity share capital of the Company as on cut-off date i.e. close of business hours of Friday, January 29, 2021. Voting Rights in the Postal Ballot cannot be exercised by a proxy. There will be one e-vote for every Folio/Client ID irrespective of the number of joint holders.
 6. **The instructions for remote e-voting are as under:**
 1. In compliance with the provisions of Sections 108 and 110 of the Act and Rules 20 and 22 of the MCA rules and circulars and Regulation 44 (“Listing Regulations”), the Company has provided the facility of remote e-voting to all Members, to enable them to cast their votes electronically. The Company has engaged the services of NSDL to provide remote e-voting facility to its Members.

2. Instructions for Members for Remote E-Voting are as under:

Some of the important details regarding the remote e-voting facility are provided below.

Cut-off date for determining the Members entitled to vote	Friday, January 29, 2021
Commencement of remote e-voting period	Saturday, February 6, 2021 at 9.00 a.m. (IST)
End of remote e-voting period	Sunday, March 7, 2021 at 5.00 p.m. (IST)

The remote e-voting module shall be disabled by NSDL after 5.00 p.m. (IST) on Sunday, March 7, 2021 for voting thereafter.

The voting rights of Members for electronic voting shall be in proportion to the paid up value of their shares in the equity share capital of the Company as on cut-off date i.e. close of business hours of Friday, January 29, 2021.

3. The details of the process and manner for remote e-voting are explained herein below:

Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a. For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b. For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c. For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company, For example, if EVEN is 123456 and folio number is 001*** then user ID is 123456001***

5. Your password details are given below:

- a. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- c. How to retrieve your 'initial password'?
 - i. If your e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your E-mail ID. Trace the e-mail sent to you from NSDL from your mailbox from evoting@nsdl.com. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. In case you have not registered your e-mail ID address with the Company/Depository, please follow instructions mentioned in this notice.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a. Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
 - b. "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d. Members can also use the OTP (One-Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" (E-Voting Event Number) in which you are holding shares and whose voting cycle is in active status.
3. Select "**EVEN**" of Pranavaditya Spinning Mills Limited, which is **115651**.
4. Now you are ready for e-voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Members

1. Institutional/Corporate 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. with the attested specimen signature of the

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duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csvrca@gmail.com with a copy marked to evoting@nsdl.co.in

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on <https://www.evoting.nsdl.com> to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions ("FAQs") for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no: 1800-1020-990/1800-22-4430/1800-222-990 or send a request at evoting@nsdl.co.in.

In case of any grievances connected with facility for e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. E-mail: evoting@nsdl.co.in / pallavid@nsdl.co.in, Tel: 91 22 2499 4545. Toll free no: 1800-1020-990/1800-22-4430/1800-222-990.

Other Instructions:

1. In accordance with Rule 22 (5) of the Rules, the Board of Directors has appointed Mr. Vikas R. Chomal, Practicing Company Secretary (Membership No: A24941, COP No: 12133), Proprietor of Vikas R. Chomal & Associates., to act as the Scrutinizer for conducting the Postal Ballot through remote e-Voting process, in a fair and transparent manner.
2. The Scrutinizer shall after the conclusion of remote e-voting unblock the votes, scrutinize the votes cast by remote e-voting and will submit his Report to the Chairman of the Company, within 48 hours after the conclusion of remote e-voting i.e. on or before Tuesday, March 9, 2021.
3. The results of the Postal Ballot will be announced on or before March 9, 2021. The results along with the Scrutinizer's Report will be placed on the website of the Company at www.pranavaditya.com and on the website of NSDL at www.evoting.nsdl.com and will be communicated to BSE Limited where the equity shares of the Company are listed.
4. The resolutions, if passed by requisite majority, shall be deemed to have been passed on the last date for remote e-voting i.e. March 7, 2021.

ANNEXURE TO THE NOTICE

**Explanatory Statement
(Pursuant to Section 102 of the Companies Act, 2013)**

Item No: 1

Lease of Substantially Whole of the Undertaking to Indo Count Industries Limited, Holding Company

The Board of Directors of the Company at its meeting held on October 21, 2020 approved the Scheme of Amalgamation (“Scheme”) of the Company with Indo Count Industries Limited (ICIL), Holding Company. Pursuant to the said Scheme, all assets of the Company shall be vested with the Holding Company once the amalgamation process is completed and order of Hon’ble National Company Law Tribunal (NCLT) sanctioning the scheme is filed with Registrar of Companies (ROC). At present, the infrastructure and plant and machineries situated at Company’s factory are in excess of its capacities and are lying unutilised. In order to put this infrastructure / fixed assets to better use, it is proposed to obtain enabling permissions to lease land and certain fixed assets of the Company situated at Plot No. 266, Village Alte, Taluka Hatkanangale, Kolhapur, Maharashtra (“Undertaking”), to Indo Count Industries Limited, Holding Company which constitutes substantially whole of the undertaking of the Company under section 180(1)(a) of the Companies Act, 2013 at arms’ length basis for a period of one year or any extension thereof or till the amalgamation is completed whichever is earlier. The Audit Committee and the Board of Directors of the Company at its meetings held on August 17, 2020 and January 16, 2021 decided to obtain enabling approval for lease transactions with Indo Count Industries Limited, Holding Company as per its business requirements at Arm’s Length basis, subject to necessary approvals.

Section 180(1)(a) of the Companies Act, 2013 (“the Act”) requires that the Board of Directors shall not without the consent of the members obtained by special resolution sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings. Having regard to the definition of the term “Undertaking” and the term “substantially the whole of the undertaking” contained in Section 180(1)(a) of the Act, this proposed lease transaction, if done, would attract the provisions of Section 180(1)(a) of the Act and lease of substantially whole of the undertaking of the Company shall require approval of members of the Company by way of Special Resolution. Further, the proposed transaction of lease with Holding Company, if carried out, will be a Related Party Transaction (RPT) not in the ordinary course of business under Section 188 of the Act and Listing Regulations. The value of said lease transaction may exceed 10% turnover of the Company and would be material RPT under regulation 23 of Listing Regulations. Hence, approval of the members of the Company is sought under the said provisions of Section 188 of the Act and Listing Regulations. Further, No Related Parties shall vote on this resolution, whether the entity is a related party to the particular transaction or not.

The information as per Rule 15 of Companies (Meeting of Board and its Power) Rules, 2014 is given below:

Sr. No.	Particulars	Details
1.	Name of the related party and nature of relationship	Indo Count Industries Limited (ICIL), Holding Company
2.	Name of the Director or Key Managerial Personnel who is related, if any	Mr. Anil Kumar Jain & Mr. Kamal Mitra are the common Directors in the Company and ICIL. Mr. Anil Kumar Jain is a Promoter of ICIL. Mr. K. Muralidharan is Chief Financial Official & Ms. Amruta Avasare is Company Secretary in the Company & ICIL both.
3.	Nature, material terms, monetary value and particulars of the contract or arrangement including the value, if any	It is proposed to lease land and certain fixed assets of the Company situated at Plot No. 266, Village Alte, Taluka Hatkanangale, Kolhapur, Maharashtra (“Undertaking”), to Indo Count Industries Limited, Holding Company which constitutes substantially whole of the undertaking of the Company under section 180(1)(a) of the Companies Act, 2013 for a period of one year or any extension thereof or till the amalgamation is completed whichever is earlier at arms’ length basis and on such other terms & conditions which will be agreed in the Lease Agreement to be executed between the Company (the Lessor) & ICIL.
4.	Any other information relevant or important for the Members to take a decision on the proposed resolution	None

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Accordingly, Special Resolution as set out in the Item No: 1 of the accompanying Notice is placed for the approval of Members of the Company. The Board of Directors recommends this resolution as a Special Resolution for approval of the Members through Postal Ballot.

Mr. Anil Kumar Jain, is common Director in the Company and ICIL and also Promoter of ICIL. None of the other Directors and Key Managerial Personnel (KMP) and their relatives are, in any way, interested or concerned, financially or otherwise in the said proposed resolution except to the extent of their shareholding, if any.

ITEM NO: 2

Lease of Certain Machineries and Equipment to Third Parties

In order to ensure utilization of some of the idle machineries/equipment at the factory of the Company and earn rental income which is required to meet the expenses, the Company is also exploring options of leasing certain machineries and equipment to third party (ies) till the period of one year or any extension thereof or till the amalgamation is completed whichever is earlier. Hence, it is proposed to obtain enabling approvals for the said transaction. The Board of Directors of the Company at its meeting held on January 16, 2021 approved proposed lease transactions with third parties, subject to necessary approvals.

Section 180(1)(a) of the Companies Act, 2013 ("the Act") requires that the Board of Directors shall not without the consent of the members obtained by special resolution sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings. Having regard to the definition of the term "Undertaking" and the term "substantially the whole of the undertaking" contained in Section 180(1)(a) of the Act, this proposed transaction of lease, if materialises, may attract the provisions of Section 180(1)(a) of the Act and shall require approval of members of the Company by way of a Special Resolution.

Accordingly, Special Resolution as set out in the Item No: 2 of the accompanying Notice is placed for the approval of Members of the Company. The Board of Directors recommends this resolution as a Special Resolution for approval of the Members through Postal Ballot.

None of the Directors and Key Managerial Personnel (KMP) and their relatives are, in any way, interested or concerned, financially or otherwise in the said proposed resolution.

**By order of the Board
For Pranavaditya Spinning Mills Limited**

**Amruta Avasare
Company Secretary
M. No: A18844**

Date: January 16, 2021
Place: Mumbai

Registered Office:
Office No. 2, Plot No. 266,
Village Alte, Kumbhoj Road,
Taluka Hatkanangale, Dist. Kolhapur – 416109