



S.P.APPARELS LTD.



Regd. Office : 39-A, Extension Street, Kaikattipudur, AVINASHI - 641 654, Tirupur Dt., Tamil Nadu, India.
Phone : +91-4296-714000 E-mail : spindia@s-p-apparels.com
Web : www.s-p-apparels.com CIN No.: L18101TZ2005PLC012295

23rd March, 2018

The Listing Department
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

The Listing Department
National Stock Exchange of India Limited
'Exchange Plaza',
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.

Scrip Code: 540048

Symbol: SPAL

Dear Sirs,

Sub: Postal Ballot Notice – Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sirs,

Further to our letter dated 15th March, 2018 informing about the consent of the Board of Directors for seeking Shareholders approval through Postal Ballot, we are enclosing herewith a copy of the Postal Ballot Notice dated 15th March, 2018 along with Postal Ballot Form.

The Company has completed the dispatch of Postal Ballot Notice along with required documents on 22nd March, 2018 to the members whose names appeared in the Register of Members received from the Registrar and Share Transfer Agent of the Company, National Security Depository Limited (NSDL) and the Central Depository Services (India) Limited as on 16th March, 2018 (cut-off date) for seeking approval of the Members on the special resolutions as set out in the said Postal Ballot Notice. The said Notice is available on the website of the Company at www.spapparels.com and on the website of CDSL at www.evotingindia.com.

The Company has engaged the services of CDSL for the purpose of providing e-voting facility to all its Members. The voting for / on postal ballot will commence on Friday 23rd March, 2018 (09.00 a.m.) and end on Saturday, 21st April, 2018 (05.00 p.m.).

We hereby request you to take this information on record.

Thanking You.

For S.P.Apparels Limited

K. Vinodhini
Company Secretary and Compliance Officer

Encl: As above



S.P.APPARELS LIMITED

CIN : L18101TZ2005PLC012295

Regd. Office : 39-A, Extension Street, Kaikattipudur, Avinashi - 641654, Tirupur Dt.

Phone : 04296-714000 E-mail : csoffice@s-p-apparels.com

Website : www.spapparels.com

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014)

TO THE MEMBERS OF THE COMPANY

NOTICE is hereby given pursuant to Section 108, 110 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act"), read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), including any statutory modification or re-enactment thereof for the time being in force, Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other applicable laws and regulations as amended from time to time that the following resolutions are proposed to be passed as Special Resolutions, by way of Postal Ballot and E-voting.

- A) Variation of the terms of issue of the 10% redeemable cumulative preference shares & its redemption.
- B) Issue of Equity shares to Promoter of the company on Preferential basis.

The Explanatory Statement pertaining to the Resolutions setting out the material facts is annexed hereto along with a Postal Ballot Form (the "Form") for your consideration.

The Board of Directors of the Company, at its meeting held on 15th March, 2018, has appointed Mr.M.D.Selvaraj, FCS of MDS & Associates, Practicing Company Secretaries, Coimbatore, as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner. Shareholders have the option to vote either by Postal Ballot or through e-voting. Shareholders desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed self-addressed Business Reply Envelope. A Postal Ballot Form sent by courier or by registered post/speed post at the expense of the shareholder(s) will also be accepted.

The duly completed Postal Ballot Form should reach the Scrutinizer not later than 5.00 PM on Saturday, 21st April, 2018 to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the shareholder.

Shareholders desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section "The instructions for shareholders voting electronically". References to postal ballot(s) in this postal ballot notice ("Postal Ballot Notice") include votes received electronically. The Scrutinizer will submit his report to the Chairman and Managing Director of the Company after completion of scrutiny of the postal ballots (including e-voting). The results shall be declared on Monday, April 23, 2018 and communicated to BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE") (together the "Stock Exchanges"), National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") (together the "Depositories"), Link Intime (India) Private Limited ("Registrar and Share Transfer Agents") and would also be displayed on the Company's website www.spapparels.com.

In the event, the resolutions as set out below are assented by the requisite majority of the shareholders by means of Postal Ballot process, it shall be deemed to have been passed as Special Resolutions at the General Meeting

For S.P. APPARELS LTD


Company Secretary

of the Company and it shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting.

SPECIAL BUSINESS

1. Variation of the terms of issue of the 10% Redeemable Cumulative Preference Shares and its Redemption

To consider and if thought fit, to give assent / dissent to the following resolution to be passed as a **Special Resolution**:

RESOLVED THAT pursuant to Section 48 and other applicable provisions, if any, of the Companies Act, 2013, the consent of the members of the Company be and is hereby accorded for variation in the terms of issue pertaining to the redemption of the preference shares to the extent and manner given herein.

"The Board of Directors of the Company shall have the option to redeem the 2,00,00,000 10% Redeemable Cumulative Preference Shares of Rs.10/- each at any time before the expiry of 10 years from the date of issue."

Save as what is mentioned hereinabove, all other terms and conditions of the said preference shares shall remain same.

FURTHER RESOLVED THAT the 2,00,00,000 10% Redeemable Cumulative Preference Shares of Rs.10/- be redeemed in accordance with the provisions of Section 55 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014.

FURTHER RESOLVED THAT the Board of Directors and the Company Secretary of the Company be and are hereby severally authorised to take all actions as may be necessary, proper or expedient and to do all such acts, deeds, matters and things in connection therewith to give effect to this resolution.

2. Issue of Equity Shares to Promoter of the Company on Preferential Basis

To consider and if thought fit, to give assent / dissent to the following resolution to be passed as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Section 42, Section 62 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force), Memorandum and Articles of Association of the Company, Listing Agreement entered into by the Company with Stock Exchanges where the shares of the Company are listed ("Stock Exchanges") and in accordance with the provisions of Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time (hereinafter referred to as "the ICDR Regulations") and any other applicable guidelines/ regulations issued by the Securities and Exchange Board of India (SEBI) and subject to all necessary approvals, consents, permissions and/or sanctions of the Government of India, SEBI, Stock Exchanges and any other relevant statutory or regulatory authorities, departments, institutions or bodies the consent and approval of the Members be and is hereby accorded and the Board (which includes a Committee, constituted for the time being in force thereof) be and is hereby authorized to create, offer, issue and allot upto 5,28,000 (Five Lakhs Twenty Eight Thousand) Equity Shares having face value of Rs.10/- (Rupees Ten Only) at a price to be determined in accordance with Chapter VII of the SEBI (ICDR) Regulations, 2009 to Mr.P.Sundararajan, one of the promoters of the Company in accordance with Chapter VII of the SEBI (ICDR) Regulations and applicable laws on preferential basis, more particularly described in the explanatory statement forming part of this resolution and in such manner and on such other terms and conditions, as the Board or its Committee may, in its absolute discretion, think fit.



RESOLVED FURTHER THAT in accordance with Regulation 71 of the ICDR Regulations, the "Relevant Date" for determining the minimum price of the Equity Shares being allotted to the promoter on a preferential basis is 22nd March, 2018 being the date which is 30 (Thirty) days prior to 21st April, 2018 i.e., the last date for receiving postal ballot(s) from the shareholders for passing of special resolution to approve the proposed preferential issue by the shareholders

RESOLVED FURTHER THAT the Equity Shares shall be issued and allotted by the Company to the allottee(s) within 15 days from the date passing of this resolution provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of receipt of such approval.

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari passu in all respects and that the equity shares so allotted during the financial year shall be entitled to the dividend declared, if any, including other corporate benefits, if any, for which the book closure or the 'Record Date' falls subsequent to the allotment of equity shares."

RESOLVED FURTHER THAT the said Equity Shares shall be listed on the Stock Exchanges on which the existing Equity Shares of the Company are listed.

RESOLVED FURTHER THAT the Equity Shares to be allotted shall be subject to lock-in requirement as prescribed by the SEBI (ICDR) Regulations, from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board (which includes a Committee, constituted for the time being in force thereof) be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient for such purpose, including without limitation, to issue and allot Equity Shares, issuing certificates/clarifications, listing of the said securities with the Stock Exchanges and to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said Equity Shares, utilisation of the proceeds, sign all such undertakings and documents as may be required and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date thereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be and to do all such acts, deeds, matters and things in connection therewith and incidental thereof as the Board or its Committee may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders.

RESOLVED FURTHER THAT the Board or its Committee be and is hereby also authorised to delegate all or any of its powers to any officer(s) or authorised signatory(ies) of the Company to give effect to the aforesaid resolution, including execution of any documents on behalf of the Company and to represent the Company before any government authorities and to appoint any professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

By Order of the Board
For S.P.APPARELS LIMITED

Sd/-

P. SUNDARARAJAN
Chairman and Managing Director
(DIN : 00003380)

Place : Avinashi
Date : March 15, 2018



NOTES:

1. The explanatory statement and reasons for the proposed resolution pursuant to Section 102 of the Companies Act, 2013 is appended herein below.
2. The Company has appointed Mr.M.D.Selvaraj, FCS of MDS & Associates, Practicing Company Secretaries, Coimbatore, as Scrutinizer to act as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner.
3. The Notice is being sent to all the Members, whose names appear in the Register of Members / List of Beneficial Owners, received from Registrar and Transfer Agents (RTA) as on 16th March 2018.
4. The members whose names appear in the Register of members/ Record of Depositories as on Friday, 16th March 2018 (cut-off date) will only be considered for voting. In case a person, who is not a shareholder of the Company as on the cut-off date receives this notice, the same should be treated as being sent for informative purposes. A member cannot exercise his / her vote by proxy on postal ballot.
5. The postal ballot notice has been placed on the website www.spapparels.com and will remain on such website until the last date of receipt of the postal ballot from members.
6. Voting Through Electronic Means

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the voting by electronic means as provided by Central Depository Services (India) Limited (CDSL) as an alternative, to all the Shareholders of the Company who wish to cast their votes electronically instead of sending physical Postal Ballot Form.

Members have the option to vote either through e-voting or through postal ballot form. If a member has opted for e-voting, then he/she should not vote by Postal Ballot also and vice-versa. However, in case members cast their vote both via physical ballot and e-voting, then voting through e-voting shall prevail and voting done by physical ballot shall be treated as invalid.

II. The instructions for shareholders voting electronically:

- (i) The voting period begins on Friday, 23.03.2018 at 9.00 AM and ends on Saturday, 21.04.2018 at 05.00 PM. 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 16th March, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:



For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the Postal Ballot Form indicated in the PAN field.
Date of Birth (DOB)	Enter the date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio to login.
	If both the details are not recorded with the depository or Company please enter the member ID / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for 'S.P.Apparels Limited'.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.



(xix) Note for Non-Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed 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.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

- III. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 16th March, 2018.
- IV. The Scrutinizer will submit his report to the Chairman and Managing Director or in his absence to any other person authorised by the Chairman and Managing Director, after completion of the scrutiny of the Postal Ballot forms and voting by the members through electronic means and the consolidated results of the voting shall be declared/announced by the Chairman and Managing Director, or in his absence, by any other person authorised by the Chairman and Managing Director, on 23rd April, 2018 at the Registered Office of the Company. The deemed date of passing of special resolution shall be 21st April, 2018 being the last date specified for receipt of duly completed postal ballot forms and e-voting.
- V. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.spapparels.com and on the website of CDSL and communicated to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) accordingly.
7. The documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during the office hours between 11:00 A.M. and 01:00 P.M. on all working days except Sundays up to the Voting Period.

By Order of the Board
For S.P.APPARELS LIMITED

Sd/-

P. SUNDARARAJAN

Chairman and Managing Director
(DIN : 00003380)

Place : Avinashi
Date : March 15, 2018

For S.P. APPARELS LTD

Company Secretary

EXPLANATORY STATEMENT

(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

Item No. 1

The Company had issued 2,00,00,000, 10% Redeemable Cumulative Preference Shares of Rs.10/- each on 22.09.2011 to Mr.P.Sundararajan, Chairman and Managing Director and Mrs.S.Latha, Executive Director (the Promoters) of the Company, to be redeemed at the end of 10 years from the date of allotment.

Since the Company plans to reduce high cost of 10% dividend payment, it is proposed to redeem the 2,00,00,000, 10% Redeemable Cumulative Preference Shares of Rs.10 each before its maturity.

The Board of Directors at its meeting held on 15th March 2018 has approved the variation of the terms of issue of the 10% Redeemable Cumulative Preference Shares of Rs.10/- each as stated in the resolution subject to approval of the shareholders by way of Special Resolution.

Pursuant to the Section 48 of the Companies Act, 2013, the rights of preference shareholders can be varied only with the consent of both the preference shareholders and equity shareholders. Accordingly, the Board of Directors has decided to approach the equity holders for their consent to vary the terms of issue of the preference shares.

The consent for the said variation of the terms of issue of preference shares has been obtained from all the Preference Shareholders.

The 10% Redeemable Cumulative Preference Shares of Rs.10/- are also proposed to be redeemed in accordance with the provisions of Section 55 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014

The Board recommends the Special Resolution set out in Item No. 1 of the Notice for the approval of the members.

Except Mr.P.Sundararajan, Chairman and Managing Director and Mrs.S.Latha, Executive Director being the holders of the 10% Redeemable Cumulative Preference Shares and Mr.S.Chenduran, Director (Operations) and Mrs.S.Shantha being their relatives, none of the other Directors and Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise in the resolution set out at Item No. 1.

Item No. 2

The Special Resolution contained in Item no.2 of the accompanying Notice has been proposed pursuant to the provisions of Sections 42 and 62 of the Companies Act, 2013 ("the Act") and the rules framed there under to create, offer, issue and allot upto 5,28,000 (Five Lakhs Twenty Eight Thousand) Equity Shares having face value of Rs.10/- (Rupees Ten Only) at a price to be determined in accordance with Chapter VII of the SEBI (ICDR) Regulations, 2009 to a promoter of the Company to strengthen the long term working capital position of the Company, in accordance with Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the ICDR Regulations"), as amended and applicable laws on preferential basis.

The said proposal has been considered and approved by the Board of Directors of the Company in its meeting held on 15th March, 2018.

The relevant disclosures as required in terms of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the ICDR Regulations") are as under in relation to the proposed Special Resolution.

The allotment of the Equity Shares is subject to the allottee(s) not having sold any Equity Shares of the Company during the 6 (six) months preceding the 'relevant date'. The allottee(s) and the Promoter group have represented that they have not sold any equity shares of the Company during the 6 (six) months preceding the relevant date.



1. Object(s) of the "Preferential Issue":

The object of raising the equity share capital by issue of Equity Shares to the proposed allottee(s) is to strengthen the long term working capital position of the Company.

2. Proposal of the Promoters/Directors/Key Managerial Personnel of the Company to subscribe to the preferential issue:

Except Mr.P.Sundararajan, Chairman and Managing Director who will subscribe to the Equity Shares in the preferential issue, none of the other promoters and directors or key managerial personnel of the Company intend to apply/subscribe to any of the Equity Shares.

3. Shareholding Pattern of the Company before and after the Preferential Issue:

	Category	Pre-Issue Equity Shareholding		Post Issue Equity Shareholding	
		Shares	% of shareholding	Shares	% of shareholding
A. Promoters' holding					
1	Indian				
	- Individual	15233447	60.53	15761447	61.33
	- Bodies corporate	—	—	—	—
	Sub-total	15233447	60.53	15761447	61.33
2	Foreign promoters	—	—	—	—
	Sub-total (A)	15233447	60.53	15761447	61.33
B. Non-promoters' holding					
1	Institutional investors				
	a. Mutual Funds	2591946	10.30	2591946	10.09
	b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Govt. Institutions)	2757	0.01	2757	0.01
	c. Portfolio investors	1913336	7.60	1913336	7.45
2	Non-institution				
	Private corporate bodies	1475398	5.86	1475398	5.74
	Directors and relatives	—	—	—	—
	Indian public	3488938	13.86	3488938	13.58
	Others (including NRIs)	461778	1.84	461778	1.80
	Sub-total (B)	9934153	39.47	9934153	38.67
	GRAND TOTAL	25167600	100.00	25695600	100.00

Above shareholding pattern has been prepared based on Shareholding of the Company as on 09th March, 2018.



4. The time within which the preferential allotment shall be completed:

The allotment of Equity Shares will be completed within a period of 15 (fifteen) days of passing of the Special Resolution by the Shareholders of the Company provided where the allotment is pending on account of any approval from any regulatory authority/Central Government, the allotment shall be completed by the Company within a period of 15 days of such approval.

5. Identity of the proposed allottees:

Name of the proposed Allottee	Category	Pre-Issue Equity shareholding		No. of Equity Shares to be allotted	Post-Issue Equity Shareholding	
		Shares	%		Shares	%
Mr.P.Sundararajan (PAN:AGQPS1345A)	Promoter	1,21,87,371	48.42	5,28,000*	1,27,15,371	49.48

*** The number of shares may vary depending upon the price calculated as on the relevant date**

Note : Since the allotment is proposed to be made to an Individual who is a natural person, disclosure pertaining to the ultimate beneficial owners of the shares does not arise.

The proposed preferential allotment will not result in any change in management control of the Company.

6. Pricing of the Preferential Issue:

The pricing of the Equity Shares to be allotted to the allottee(s) on preferential basis shall not be lower than the price determined in accordance with the Chapter VII of the ICDR Regulations. The issue of Equity Shares on preferential basis shall be made at a price not less than higher of the following as per the ICDR Regulations at the relevant date:

- The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the 26 (Twenty Six) weeks preceding the relevant date; or
- The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the 2 (Two) weeks preceding the relevant date.

The "Relevant Date" on the basis of which issue price of the said Equity Shares shall be computed is 22nd March, 2018 i.e. 30 days prior to 21st April, 2018 i.e. the deemed date of passing of special resolution by the Members of the Company to approve the proposed preferential issue in accordance with the ICDR Regulations.

7. Auditor's Certificate:

The certificate from M/s. ASA & Associates LLP, Chartered Accountants, the Statutory Auditors of the Company certifying that the preferential issue is being made in accordance with requirements of Chapter VII of the ICDR Regulations shall be available for inspection on any working day between 11.00 A.M. to 01.00 P.M. upto the last date of voting under Postal Ballot.

8. Lock-in Period:

The Equity Shares allotted on a preferential basis shall be subject to lock-in as per the ICDR Regulations. Further, the entire pre-preferential allotment shareholding of the proposed allottee(s) shall be locked-in as per Regulation 78(6) of the ICDR Regulations.



9. Undertakings:

In terms of the ICDR Regulations, the Company hereby undertakes that:

- a) It shall re-compute the price of the Equity Shares in terms of the provisions of the ICDR Regulations where it is required to do so.
- b) If the amount payable on account of the re-computation of price is not paid within the time stipulated in the ICDR Regulations, the underlying Equity Shares shall continue to be locked-in till the time such amount is paid by the proposed allottee(s).

The Board of Directors recommends passing of the resolution as set out at Item No. 2 of the notice for approval of the shareholders as a Special Resolution.

Board of Directors at its meeting held on 15th March, 2018 has approved the issue of Equity Shares on preferential basis in the manner stated above subject to approval of the shareholders by way of Special Resolution.

Except Mr.P.Sundararajan, Chairman and Managing Director, Mrs.S.Latha, Executive Director, Mr.S.Chenduran, Director (Operations) and Mrs.S.Shantha no other director, Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in the passing of the above resolution(s) as set out at Item No. 2 of the notice.

INSPECTION OF DOCUMENTS

All resolutions passed in this regard are available for inspection by the Members of the Company at its Registered Office during the office hours between 11:00 A.M. and 01:00 P.M. on any working day except Sundays upto the voting period.

Place : Avinashi
Date : March 15, 2018

By Order of the Board
For S.P.APPARELS LIMITED

Sd/-
P. SUNDARARAJAN
Chairman and Managing Director
(DIN : 00003380)

Enclosure :

1. Postal Ballot Form
2. Postage Prepaid Business Reply Envelope

For S.P. APPARELS LTD


Company Secretary

**S.P. APPARELS LIMITED**

CIN : L18101TZ2005PLC012295

Registered Office : 39-A, Extension Street, Kaikattipudur, Avinashi - 641654, Tirupur Dt.

Phone : 04296 - 714000 Email : csoffice@s-p-apparels.com Website : www.spapparels.com

POSTAL BALLOT FORM

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

(Please read the instructions printed overleaf carefully before completing this form)

1. Registered Folio No./ DP ID No. & Client ID No.* * (Applicable to investors holding shares in dematerialized form)
2. Name(s) and Registered Address of the sole/first named Shareholder / Beneficial owner, including joint holder(s), if any (IN BLOCK LETTERS)
3. Number of shares held:

I/We hereby exercise my/our vote in respect of the Special Resolutions proposed to be passed through postal ballot for the business stated in the Notice dated 15th March 2018 as per the resolution with explanatory statement by conveying my / our assent or dissent to the said resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Item Description	No. of Shares	I / We assent to the Resolution (FOR) (✓)	I / We dissent to the Resolution (AGAINST) (✓)
Special Resolution				
1	Variation of the terms of issue of the 10% Redeemable Cumulative Preference Shares and its redemption.			
2	Issue of 5,28,000 Equity Shares to Promoter of the Company on Preferential basis			

Place :

Date :

Signature of the Shareholder
(Refer Instruction No. 4 overleaf)

ELECTRONIC VOTING PARTICULARS

If desirous of E-voting, please read the instructions given in the Postal Ballot Notice before exercising the same.

EVS (Electronic Voting Sequence Number)	*Default PAN
180316004	

* Please use default PAN for those who have not registered their PAN.

Notes : (i) If the voting rights are exercised electronically, there is no need to use this form.

(ii) Last date for receipt of Postal Ballot Form by Scrutinizer is Saturday, 21st April, 2018 (5.00 PM).

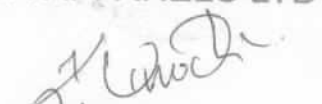


INSTRUCTIONS

For Voting through Physical Postal Ballot Form

- 1) A member desiring to exercise his vote by postal ballot may complete the Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing postal ballots, if sent by courier at the expenses of the registered member will also be accepted.
- 2) Please convey your assent/ dissent in this Postal Ballot Form. The assent/ dissent received in any other form shall not be considered valid.
- 3) The votes should be cast in favour of or against the resolution by putting the tick mark (✓) in the column provided for assent or dissent. Postal Ballot Form bearing (✓) in both the column will render the form invalid.
- 4) The Postal Ballot Form should be completed and signed by the member. In case of joint holding, the Postal Ballot Form should be completed and signed (as per specimen signature registered with the company) by the first named member and in his absence, by the next named member.
- 5) The Postal Ballot Form shall not be exercised by a Proxy.
- 6) In case of shares are held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authority of the Shareholder.
- 7) Incomplete, unsigned or incorrectly ticked Postal Ballot Form shall be rejected.
- 8) In case the number of shares is not mentioned against the resolutions, it will be deemed that the member has exercised his votes for the entire shares held by him.
- 9) In addition to the reasons as mentioned above for rejection, Postal Ballot Form/Votes will be considered invalid on the following grounds:
 - a. If a form other than the one issued by the company has been used.
 - b. If the Postal Ballot Form has not been signed by or on behalf of the member.
 - c. If the shareholders' signature does not match with the specimen signature registered with the Company.
 - d. If it is not possible to determine without any doubt the assent or dissent of the member.
 - e. If assent or dissent is not mentioned.
 - f. If assent or dissent is given subject to some amendment to the resolution or condition.
 - g. If any competent authority has given direction in writing to the company to freeze the voting rights of a member.
 - h. If the envelope containing the Postal Ballot Form is received after the last date and time prescribed.
 - i. If the postal Ballot form is signed by a representative of a member and is not accompanied by a certified copy of the specific authority.
 - j. If the Postal Ballot Form is filled in pencil or signed in pencil.
 - k. If the Postal Ballot Form is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the shareholder or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or one or more of the grounds.
- 10) In terms of the provisions of Rule 22 of the Companies (Management and Administration) Rules, 2014 Mr.M.D.Selvaraj, FCS of MDS & Associates, Practicing Company Secretaries, Coimbatore has been appointed as Scrutinizer for conducting the postal ballot. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours (i.e., 5:00 PM) on Saturday, 21st April, 2018. All Postal Ballot Forms received after the last date will be strictly treated as if the reply from such a member has not been received.
- 11) Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage prepaid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
- 12) A member is neither required to cast all his/her votes nor he/she is required to vote in the same manner.
- 13) There shall be one Postal Ballot Form for every Folio/ Client ID, irrespective of the number of Joint holders. In case two forms are received for a Folio/ Client ID, then the Postal Ballot Form received first alone shall be considered.
- 14) In case members cast their vote both via physical ballot and e-voting, then voting through e-voting shall prevail and voting done by physical ballot shall be treated as invalid.
- 15) Members receiving the Postal Ballot notice by email may request for a duplicate Postal Ballot Form, if so required from M/s. Link Intime India Private Limited, "Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028, E-mail ID: coimbatore@linkintime.co.in. However, the duplicate Postal Ballot forms should reach the Scrutinizer not later than the date specified in (10) above.
- 16) Members who have received Postal Ballot Form and are desirous of casting their votes by e-voting may follow e-voting procedure given in the Postal Ballot Notice.
- 17) The Scrutinizer's decision on the validity of a Postal Ballot Form will be final.

TOP S.P. APPARELS LTD


Company Secretary