



Super Spinning Mills Limited

"ELGI TOWERS" P.B.No.7113,737-D, Green Fields, Puliakulam Road,Coimbatore - 641 045.
Phonè : 91 422 - 2311711 Fax : 91 422 - 2311611 Email : super@ssh.saraelgi.com

To
The Shareholders,

Notice Pursuant to Section 192A(2) of the Companies Act, 1956

According to Section 293 (1) (a) of the Companies Act, 1956, sale, lease or otherwise disposal of 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 such undertaking requires the approval of the shareholders by way of an Ordinary Resolution.

The Company proposes to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking in the "D" Unit of the Company at Udumalpet, Tirupur District involved in the manufacture and/or sale of Cotton yarn and also the Sara Apparels and Fashions undertaking of the Company which is engaged in the manufacture and / or sale of garments at its wholly owned production facilities at Thekkalur, Coimbatore and leased facilities at Nethaji Apparel Park, Tiruppur, all in the State of Tamilnadu to suitable parties and is therefore seeking your consent for such proposal as contained in the draft Ordinary Resolutions appended below. Explanatory Statements pertaining to the said resolutions setting out all material facts and the reasons for which such resolutions are proposed are also annexed.

As per Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001, the consent of the shareholders for the above resolutions is required to be obtained by means of a postal ballot. Accordingly, the said draft Ordinary Resolutions and Explanatory Statements are being sent to you along with a Postal Ballot Form for your consideration. The Company has appointed Mr M D Selvaraj, Practising Company Secretary, as scrutinizer for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed, in the attached self addressed postage pre-paid envelope so as to reach the scrutinizer before the closing of working hours (17.45 hrs) on Wednesday, the 20th of May, 2009. The scrutinizer will submit his report to the Chairman after the completion of the scrutiny and the results of the postal ballot will be announced at 5 p.m on Monday, the 25th of May, 2009 at the Registered Office of the Company at Elgi Towers, P B 7113, 737-D Green Fields, Puliakulam Road, Coimbatore 641 045.

Notice is hereby given to the members of Super Spinning Mills Ltd. for passing the following resolutions through postal ballot pursuant to Section 192A of the Companies Act. 1956 read with the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001.

Item No.1

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

Resolved that subject to the consents, approvals and permissions being obtained from appropriate authorities to the extent applicable or necessary, the consent of the Company be and is hereby accorded in terms of Section 293 (1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company (the Board) to sell, lease or otherwise dispose of at such consideration and with effect from such date as the Board may think fit, the whole or substantially the whole of the undertaking in the "D" Unit of the Company at Udumalpet, Tirupur District engaged in the manufacture and / or sale of cotton yarn.

Resolved Further that the Board be and is hereby authorized to do or cause to be done all such acts, deeds and things as may be required or considered necessary or incidental thereto for giving effect to the aforesaid Resolution and to settle any question that may arise in this regard.

Item No.2

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

Resolved that subject to the consents, approvals and permissions being obtained from appropriate authorities to the extent applicable or necessary, the consent of the Company be and is hereby accorded in terms of Section 293 (1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company (the Board) to sell, lease or otherwise dispose of at such consideration and with effect from such date as the Board may think fit, the whole or substantially the whole of the undertaking of the company in Sara Apparels and Fashions Unit, engaged in the manufacture and / or sale of garments at its owned facilities at Thekkalur, Coimbatore and leased premises at Netaji Apparel Park, New Tirupur, Tirupur District.

Resolved Further that the Board be and is hereby authorized to do or cause to be done all such acts, deeds and things as may be required or considered necessary or incidental thereto for giving effect to the aforesaid Resolution and to settle any question that may arise in this regard.

Place: Coimbatore
Date : 06.04.2009

By Order of the Board
For Super Spinning Mills Limited
T V Thuisides
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No.1

The Company has been engaged in the production, marketing and distribution of a wide variety of textile products since 1962 with facilities at various locations in the States of Andhra Pradesh and Tamil Nadu. In order to supplement and compliment the production of Cotton Yarn, the Company had acquired the land and machineries of an existing textile mill from Narayan Krishna Spinners Private Limited and created the Super Spinning Mills "D" Unit at Udumalpet, which is presently engaged in the manufacture and/or sale of cotton yarn. The management has carried out a comprehensive review of the businesses of the company and come to the conclusion that the company had to urgently rationalize its business operations to overcome the poor demand for cotton yarn and prolonged slump in the textile industry. It has therefore been decided to cease operations at the "D" Unit of the Company in view of its uneconomic size and limited potential for future growth. The company would be able to realize a fair value for the undertaking by disposing of the same and utilize the proceeds thereof more effectively in its business operations.

The Board of Directors of the Company has by the Circular resolution passed on 06.04.2009, given its approval to conduct a postal ballot to seek the approval of the members of the company for the sale, lease or otherwise disposal of the whole or substantially the whole of the undertaking in the "D" Unit of the Company located at Udumalpet, Tirupur District in Tamil Nadu, which is engaged in the manufacture and / or sale of cotton yarn and is therefore seeking your consent for such proposal as contained in the draft Ordinary Resolution as set out in the notice.

The Board is satisfied that it would be in the best interest of the Company, its shareholders and its employees to transfer the said undertaking as referred to in the draft Ordinary Resolution for reasons and on terms set out herein. The Board recommends the Resolution for your approval.

None of the Directors is concerned or interested in the said resolution except to the extent of shares held by them in the Company.

Item No 2

The Company had established the Garment business in 2002 in the name and style of Sara Apparels and Fashions with a view to establish its presence and maximize profits across the entire spectrum of the textile business. This unit is engaged in the manufacture and / or sale of garments at its wholly owned facility at Thekkalur, Coimbatore and in leased premises at Nethaji Apparel Park, Tirupur. The lease on the said leased premises is valid for a period of 30 years from 19th January 2004. The management has carried out a comprehensive review of the businesses of the company and it was found that the returns to the Company from the Garment unit is not commensurate with the investment and the efforts put into the undertaking. The potential for growth has remained unrealized and it was decided to completely exit the garment business in the event of being able to realize a fair value for the disposal of the undertaking.

The Board of Directors of the Company has by the Circular resolution passed on 06.04.2009, given its approval to conduct a postal ballot to seek the approval of the members of the company for the sale, lease or otherwise disposal of the whole or substantially the whole of the undertaking of the company in the Sara Apparels and Fashions unit, engaged in the manufacture and / or sale of garments at its wholly owned production facilities at Thekkalur, Coimbatore and leased facilities at Nethaji Apparel Park, Tiruppur, in the State of Tamilnadu, to suitable parties and is therefore seeking your consent for such proposal as contained in the draft Ordinary Resolution as set out in the notice.

The Board is satisfied that it would be in the best interest of the Company, its shareholders and its employees to transfer the said undertaking as referred to in the draft Ordinary Resolution for reasons set out herein. The Board recommends the Resolution for your approval.

None of the Directors is concerned or interested in the said resolution except to the extent of shares held by them in the Company.

Place: Coimbatore
Date : 06.04.2009

By Order of the Board
For **Super Spinning Mills Limited**
T V Thulsidass
Company Secretary



Super Spinning Mills Limited

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POSTAL BALLOT FORM

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

Serial No.

1. Registered Folio No. / DP ID No. / Client Id No.* (*Applicable to member holding shares in Dematerialised form)			
2. Name(s) of member(s) and Registered address of the Sole/ First named member (including Joint holders, if any)			
3. Number of shares held			
4. I / We hereby exercise my / our vote in respect of the Ordinary resolutions to be passed through postal ballot for the sale, lease or otherwise disposal of the undertaking of the company in the "D" unit at Udumalpet and the garment unit at Thekkalur, Coimbatore and Nethaji Apparel Park, Tirupur under section 293(1)(a) of the Companies Act, 1956 as per the text resolutions with explanatory statement (Item 1 & 2 of the notice) by conveying my / our assent or dissent to the said resolution(s) by placing the tick(✓)mark at the appropriate box below:			
Description	No. of shares	I / We assent to the resolution (For)	I / We dissent to the resolution (Against)
Item No.1 as contained in the notice of Postal Ballot dated 06.04.2009 Ordinary Resolution to approve the sale, lease or otherwise disposal of the undertaking in the 'D' unit of the Company at Udumalpet, Tirupur District			
Item No.2 as contained in the Notice of Postal Ballot dated 06.04.2009 Ordinary Resolution to approve the sale, lease or otherwise disposal of the undertaking of the Company in Sara Apparel and Fashions having garment manufacturing facilities at Thekkalur, Coimbatore and Nethaji Apparel Park, Tirupur			

Place :
Date :

(Signature of member)
(As per Specimen signature registered with Company / Depository)

Instructions

- a) A member desiring to exercise vote by postal ballot may complete the Postal Ballot Form and send it to the Scrutiniser 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.
- b) Please convey your assent / dissent in this Postal Ballot Form. The assent / dissent received in any other form shall not be considered valid.
- c) This form should be completed and signed by the member. In case of joint holding, this 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.
- d) The Postal Ballot Form shall not be exercised by a Proxy.
- e) In case of shares which are held by companies, trusts, societies. etc. the duly completed Postal ballot form should be accompanied by a certified true copy of Board Resolution / Authority.
- f) Incomplete, unsigned or incorrectly ticked Postal Ballot Form will be rejected.
- g) **Duly completed Postal Ballot Form should reach the scrutiniser not later than the close of working hours on Wednesday, the 20th day of May, 2009. All Postal Ballot Forms received after this date will be strictly, treated as if the reply from such a member has not been received.**
- h) Voting rights shall be reckoned on the paid up value of the shares registered in the name of the member as on 10.04.2009.
- i) 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 Scrutiniser and any extraneous paper found in such envelope would be destroyed by the Scrutiniser.
- j) A member is neither required to cast all his / her votes nor he / she is required to vote in the same manner.
- k) There will be one Postal Ballot Form for every Folio / Client ID irrespective of the number of Joint holders.
- l) The Scrutiniser's decision on the validity of a Postal Ballot Form will be final.
- m) **The Scrutiniser. will submit his report after completion of the scrutiny and the results of the Postal Ballot will be announced on Monday, the 25th day of May 2009 at 5.00 pm at the Registered Office of the Company.**
- n) Members who wish to be present at the time of declaration of results may do so at the above venue at the appointed time.