



S.P.APPARELS LTD.



Regd. Office : 39-A, Extension Street, Kaikattipudur, AVINASHI - 641 654, Tamil Nadu, India.
Phone : 4396-7240-714000 E-mail : spindia@s-p-apparels.com
Web : www.s-p-apparels.com CIN No.: L18101TZ2005PLC012295

24th February, 2020

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

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

Scrip Code: 540048

Symbol: SPAL

Dear Sirs,

Sub: Intimation of Notice of Postal Ballot under Regulation 30 read with Schedule III of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

With reference to the captioned subject and pursuant to Section 110 of the Companies Act, 2013 please find enclosed Postal Ballot Notice and Postal Ballot Form dispatched to the members on 24th February, 2020 to transact the following business:

1. Approval for Related Party Transaction pursuant to Section 188 of the Companies Act, 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Ordinary Resolution)
2. Sale of Retail Division of M/s.S.P.Apparels Limited to M/s.S.P. Retail Brands Limited on a slump sale basis as a going concern pursuant to Section 180(1)(a) of Companies Act 2013; (Special Resolution)
3. Approval to Amend the Articles of Association of the Company by inserting the new Sub Clause 161(1) after the existing clause 161. (Special Resolution)

Kindly take the same on record.

Thanking You,

For S.P.Apparels Limited,

K.Vinodhini

Company Secretary and Compliance Officer

Encl: Postal Ballot Notice and Form

S.P.APPARELS LIMITED

CIN: L18101TZ2005PLC012295

Regd. Off.: 39-A, Extension Street, Kaikattipudur, Avinashi

Tirupur District – 641 654

Phone: 91-4296-714000,

Email: 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)

Dear Shareholder(s),

Notice is hereby given pursuant to the provisions of Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read 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) and other applicable provisions of the Act and Rules made there-under and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that the below mentioned resolution(s) are proposed to be transacted/ passed by the Members through postal ballot / e-voting process:

- i. Approval for Related Party Transaction pursuant to Section 188 of the Companies Act, 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Ordinary Resolution)
- ii. Sale of Retail Division of M/s.S.P.Apparels Limited to M/s.S.P. Retail Brands Limited on a slump sale basis as a going concern pursuant to Section 180(1)(a) of Companies Act 2013; (Special Resolution)
- iii. Approval to Amend the Articles of Association of the Company by inserting the new Sub Clause 161(1) after the existing clause 161. (Special Resolution)

The Board of Directors of the Company, at their meeting held on 14th February 2020, has approved the above matters subject to, inter alia, the approval of the shareholders of the Company and such other authorities as may be required.

The Statement setting out the material facts concerning the resolution(s) set out in Item No. 1 to 3 of the Postal Ballot Notice dated 14th February 2020 pursuant to Section 102 of the Companies Act, 2013 relating to the resolution is annexed. The Postal Ballot Notice is also placed on the website of the Company www.spapparels.com.

You are requested to send your assent or dissent for the Resolution(s) set out in Item No: 1 to 3 below within 30 days in either of the following modes: -

- (a) by filling in the necessary details in the Postal Ballot form enclosed, signing the same at the marked place and returning the same in the enclosed postage pre-paid business reply envelope; or
- (b) by e-voting through the platform provided by Link Intime India Private Limited ("LI IPL"), the e-voting agency appointed by the Company for the purpose.

The Board of Directors of the Company vide their resolution passed on 14th February 2020, has appointed Mr.M.D.Selvaraj, FCS of M/s. MDS & Associates, Company Secretaries, Coimbatore as the Scrutinizer for conducting the voting through postal ballot process and through electronic means in a fair and transparent manner.

Members are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form, duly completed in all respects in the enclosed self-addressed, postage pre-paid envelope, so as to reach the scrutinizer on or before the close of working hours at 5.00 PM on Wednesday, the 25th March 2020. Your assent / dissent received after 5.00 PM on Wednesday, the 25th March 2020 would be strictly treated as if a reply from you has not been received. The postage on the enclosed self-addressed postage pre-paid envelope shall be borne and paid by the Company.

As required under the provisions of Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is also providing e-voting facility as an alternative to exercising the voting right through postal ballot form. Accordingly, instead of returning the Postal Ballot Form, members may

choose to cast their vote electronically through the LI IPL e-voting platform. The e-voting platform will be opened for tendering your votes from 9:00 AM on Tuesday, the 25th February 2020 to 5.00 PM on Wednesday, the 25th March 2020. Members opting for e-voting may follow the procedure, as recommended by LI IPL, which is specified along with this Notice.

The Scrutinizer shall submit his report to the Chairman and Managing Director or any other director authorized by the board. The result of the postal ballot shall be:

- i. Announced on or before the close of business hours on Thursday, the 26th March, 2020
- ii. Displayed on the website of the Company and LI IPL on Friday, the 27th March, 2020 and
- iii. Communicated to BSE Limited (BSE) & the National Stock Exchange of India Limited (NSE), the stock exchanges where the equity shares of the company are listed.

In the event, the resolution(s) as set in Item 1 to 3 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 Resolution(s), at the General Meeting 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

Item No.1:

Approval for Related Party Transaction under Section 188 of the Companies Act, 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, proposed to be entered with S.P.Retail Brands Limited.

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

RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014; Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions as may be required, consent of the Members be and is hereby accorded to the Board of Directors of the Company to enter into material related party transaction(s) with M/s.S.P.Retail Brands Limited for Sales and purchase of business, fixed assets, goods, services / Loan / Guarantee / Investment and other transactions in ordinary course of business, for an amount not exceeding Rs.100 Crores Per annum on such terms and conditions as may be mutually agreed upon between the Company and M/s. S.P.Retail Brands Limited.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution.

Item No.2:

Sale of Retail Division of S.P.Apparels Limited to S.P.Retail Brands Limited on a slump sale basis as a going concern.

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 180(1)(a) and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as

amended from time to time, any other law for the time being in force and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any duly constituted Committee of the Board), to sell, transfer or dispose of its Retail Division together with all specified tangible and intangible assets, contracts, permission and consents, rights, registrations, personnel & employees, other assets and liabilities as may be agreed between the parties in relation to the Retail Division and its allied business as a going concern on a "Slump Sale" basis to M/s.S.P. Retail Brands Limited (Buyer), a related party within the meaning of section 2 (76) of the Companies Act, 2013, in one or more stages, in such manner as the Board may deem fit in the interests of the Company with effect from such date and on such terms and conditions, and with such modifications as may be required, as the Board may deem fit and appropriate in the interest of the Company for a consideration of Rs. 81.00 crores (Rupees Eighty One Crores).

RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to finalise and execute necessary documents including but not limited to definitive agreements, deeds of assignment, business transfer agreement, conveyance deed, undertakings, deeds, transition services agreements, requisite applications, representations, and execute all such other ancillary documents and to do all such other acts, deeds, matters and things as may be deemed necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and/or transfer of the Retail Division as they may in their absolute discretion deem fit without further referring to the members of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company and to delegate such powers to any Officers of the Company as it may consider necessary or expedient or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to above or contemplated in the foregoing resolutions are hereby approved ratified and confirmed in all respects."

Item No.3:

Approval to Amend the Articles of Association of the Company by inserting the new Sub Clause 161(1) after the existing clause 161:

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

"RESOLVED THAT in accordance with the provisions of Section 110 of the Companies Act, 2013 as amended read with Rule 22 of Companies (Management and Administration) Rules, 2014 and pursuant to the provisions of Section 14 of Companies Act, 2013 ("Companies Act"), read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Companies Act 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), and such other rules and regulations, as may be applicable, and such other approvals, permission, consents as may be required, the consent of the members of the Company be and is hereby accorded for the alteration of Articles of Association of the Company by inserting the following new Sub Clause 161(1) after the existing clause 161:

SEAL

161(1) The Board shall provide for safe custody of the seal. The seal of the company shall not be affixed to any instrument except by the authority of the resolution of the Board or a committee in that behalf, and except in the presence of at least one director. Such signature shall be conclusive evidence of the fact that the seal has been properly affixed. As regards affixing the seal to share certificate the same shall be affixed in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 or any other statutory regulations.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1

Pursuant to Section 188 of the Companies Act, 2013 ("the Act") read with Companies (Meetings of the Board and its Powers) Rules, 2014 ("Rules") the Company is required to obtain the consent of the Board of Directors and the prior approval of the members by way of Ordinary Resolution in case certain transactions with related parties exceeds such sum as may be specified in the Rules.

However pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and approval of the members through Ordinary Resolution is required for all material related party transactions. For this purpose the transaction is considered "Material" if the transaction (s) to be entered into individually or taken together with a Related Party along with previous transactions during a financial year exceeds 10% of the Annual Consolidated Turnover of the Company as per the last Audited Financial Statement of the Company.

Members are informed that the estimated value proposed to be entered into with M/s. S.P. Retail Brands Limited in respect of the financial year 2020-2021 and onwards is likely to exceeds 10% of the annual consolidated turnover of the Company as per the last financial statement of the Company.

The particulars required to be provided under Clause 3 of Explanation Rule 15 sub Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014 are given below.

Name of the related party	M/s. S.P. Retail Brands Limited	
Name of the Director/ KMP who is related, if any	Mr. Perumal Sundararajan, Chairman and Managing Director, Mr. Sundararajan Chenduran, and Mrs. Sundararajan Latha, Whole time Directors	
Nature of relationship	Interested as Directors / Shareholders	
Nature, Material Terms, monetary value and particulars of the contract or arrangement;	Description	Rupees in Crores / annum
	Sales and purchase of business, fixed assets, goods, services/ Loan /Guarantee / Investment and other transactions in ordinary course of business .	Rs. 100 Crores per annum
Tenure of the contract	The Contract would be for a period of 3 years from 01.04.2020.	
Any other information relevant or important for the members to take decision on the proposed resolution	Nil	

In view of the compliance with statutory requirements as per Section 188 of the Companies Act, 2013, Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 approval of the members for entering into material related party transactions with M/s. S.P. Retail Brands Limited is being sought by way of ordinary resolution by a Postal ballot and /or remote e-voting.

Mr. Perumal Sundararajan, Chairman and Managing Director, Mr. Sundararajan Chenduran, Whole time Director and Mrs. Sundararajan Latha, Whole time Director are deemed to be concerned or interested in the transaction entered between the companies.

Apart from the above, none of the other Directors or Key Managerial Personnel, or their relatives are, in any way, are concerned or interested in the resolution as set out at Item No. 1 of the Notice.

The Board recommends the Ordinary Resolution as set out at item No. 1 for the approval of the Shareholders.

Item No. 2:

The Company's Management and the Board have extensively reviewed the performance of the retail division and the said division's return of capital employed is relatively low and hence the Board of directors have come to the

conclusion to spin off the division into a separate entity.

The decision was taken due to requirement of continuous growth capital for retail division towards creating larger distribution network, investment in Brand awareness, Investments in new Brands and additional working capital requirements. Considering the amount of capital employed and capital requirement, the Board of Directors of the Company at their meeting held on 14th February 2020 decided to sell, transfer its retail division as a going concern on a "Slump sale" basis to M/s. S.P.Retail Brands Limited (Buyer) a related party within the meaning of Section 2 (76) of the Companies Act, 2013. The buyer has interest in acquiring the business of the company subject to such approvals as may be required.

In accordance with the provisions of Section 180 (1)(a) of the Companies Act, 2013 ("Act") the Company can sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company subject to the approval of the Members by a Special resolution

The members are hence requested to authorise the board to sell, transfer or dispose of the retail division of the company for a consideration of Rs.81 Crores (Rupees Eighty One Crores Only) which will be settled by S.P. Retail Brands Limited partly by cash and Rs.25 Crores by way of issuing 1% compulsorily convertible cumulative preference shares of S.P. Retail Brands Limited. On the cash consideration of Rs.56 Crores, Rs.31.00 Crores will be paid immediately and Rs.25 Crores will be deferred repayable over 3 years with interest of 8%, as the Board of Directors of the Company in their absolute discretion may deem fit in the best interest of the company.

Mr. Perumal Sundararajan, Chairman and Managing Director, Mr. Sundararajan Chenduran, Whole time Director and Mrs. Sundararajan Latha, Whole time Director are deemed to be concerned or interested in the transaction entered between the companies.

Apart from the above, none of the other Directors or Key Managerial Personnel, or their relatives are, in any way, are concerned or interested in the resolution as set out at No. 2 of the Notice.

The Board recommends the Special Resolution as set out at item No. 2 for the approval of the Shareholders.

Item No.3:

The existing Articles of Association of the Company does not contain any specific clause regarding use of Common Seal. The Common Seal is being used as per the provisions of Article 79 of Table F of the Companies Act, 2013 which requires the presence of at least any two directors and of the Secretary or such other person as the Board may appoint for the purpose. For the sake of administrative convenience it is considered expedient to provide that the presence of one director is sufficient for affixing the common seal except in the case of issue of Share certificate where the common seal shall affixed in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014,

It is hence proposed to amend the Articles of Association by inserting a new clause 161(1). This amendment requires the prior approval of shareholders by means of a Special Resolution.

Your directors recommend the resolution for your approval. A copy of the amended Articles of Association is available for inspection at the registered office of the company on any working day during usual business hours.

None of the Directors, Key Managerial Personnel, relatives of Directors and Key Managerial Personnel of the Company is concerned or interested, financial or otherwise, in the resolution set out at Item No.3. The Board of Directors recommends the Resolution for your approval

Place: Avinashi

Date: 14th February, 2020

By Order of the Board

For **S.P.APPARELS LIMITED**

Sd/-

Vinodhini Kanagaraj
Company Secretary

NOTES:

1. The Board of Directors of the Company has appointed Mr. M. D. Selvaraj, FCS of MDS & Associates, Company Secretaries, Coimbatore as the Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.

2. The approval of the Shareholders is being sought through the Postal Ballot, pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for which a separate Ballot paper is circulated to the Members along with this Notice.
3. Voting period commences from 9:00 AM on Tuesday, the 25th February 2020 and ends at 5.00 PM on Wednesday the 25th March 2020 for the members exercising their voting either by Postal Ballot or through E-voting within 30 days from date of dispatch of the notice.
4. The Notice is being sent to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited ("**NSDL**")/Central Depository Services (India) Limited ("**CDSL**") as on 21st February, 2019 (cut-off date).
5. The Members whose names appear in the Register of Members / Record of Depositories as on Friday the 21st February, 2020 will only be considered for voting. In case a person, who is not a Member of the company as on the cut-off date receives this Notice, the same should be treated as being sent for informative purposes.
6. Members have the option either to vote through the e-voting process or through the Postal Ballot Form. Members who have received the Postal Ballot Notice by email and who wish to vote through Postal Ballot Form can download Postal Ballot Form from the Company's website www.spapparels.com.
7. Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed with the Assent (For) Dissent (Against) in the attached Business Reply envelope so as to reach the Scrutinizer on or before 5:00 PM on Wednesday the 25th March 2020 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the member. Hence the members are requested to send the duly completed Postal Ballot Form well before Wednesday the 25th March 2020, providing sufficient time for postal transit.
8. The result of the Postal Ballot shall be announced on or before 5:00 PM on Thursday the 26th March 2020 at the registered office of the Company and shall also be displayed on the Company's website www.spapparels.com, on the website of LI IPL and will also be communicated to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE), the stock exchanges where the equity shares of the Company are listed.
9. The Postal Ballot Form and self-addressed, pre-paid postage envelopes are enclosed for use of the Members and it bears the address to which the duly completed Postal Ballot Forms are to be sent. The facility of voting by electronic means is being provided by Link Intime India Private Limited for which the required procedure is incorporated in the Postal Ballot Notice.
10. The Postal Ballot Notice and Form have been placed on Company's website www.spapparels.com and LI IPL e-voting website www.instavote.linkintime.co.in and will remain on such website until the last date of receipt of the Postal Ballot from members.
11. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on 21st February, 2020.

INSTRUCTIONS FOR VOTING:

A. VOTING THROUGH POSTAL BALLOT FORM

Instructions regarding voting through Postal Ballot Form have been given on the reverse side of the Postal Ballot Form

B. REMOTE E-VOTING FACILITY

Pursuant to Section 110 of the Companies Act, 2013 and applicable rules made there under, the Company is pleased to offer e-voting facility for the members to enable them to cast their votes electronically. For this purpose, the Company has signed an agreement with the Link Intime India Private Limited ("**LI IPL**") for facilitating e-voting. Members have option to vote either through e-voting or through the 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.

The instructions for Members for voting electronically are as under: -

- i. The voting period begins on Tuesday, the 25th February 2020 and ends at 5.00 PM on Wednesday, the 25th March 2020. 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 Friday, the 21st February 2020 may cast their vote electronically. The e-voting module shall be disabled by LI IPL for voting thereafter.
- ii. The shareholders should log on to the e-voting website <https://instavote.linkintime.co.in>.
- iii. Click on "Login" tab, available under 'Shareholders' section.
- iv. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on SUBMIT".
- v. Your User ID details are given below
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- vi. Shareholders holding shares in Physical Form (i.e Share Certificate): Your User ID is Event No + Folio Number registered with the Company.
- vii. Your Password details are given below:

If you are using e-Voting system of LI IPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	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) <ul style="list-style-type: none"> Members who have not updated their PAN with the Depository Participant or in the company are requested to use the sequence number which is printed on Postal Ballot form indicated in the PAN field.
Date of Birth (DOB)	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Dividend Bank Details	Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number. Please enter the DOB /DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction.

If you are holding shares in demat form and had registered on to e-Voting system of LI IPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid email address, Password will be sent to the shareholders registered e- mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LI IPL. For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Cast your vote electronically

After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.

On the voting page, you will see "Resolution Description" and against the same the option "For/ Against" for voting.

Cast your vote by selecting appropriate option i.e. For/Against as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'For/Against'.

If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

After selecting the appropriate option i.e. For/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.

Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

General Guidelines for shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LI IPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/ demat account shall choose the voting process separately for each of the folios/ demat account.
- 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 <https://instavote.linkintime.co.in>, under help section or write an email to enotices@linkintime.co.in or call us: Tel: 022 – 49186000.

The Scrutinizer will submit his report after completion of scrutiny, on or before Thursday, the 26th March, 2020. The Chairman and Managing Director or any director authorized by the board will announce the results of the voting by Postal Ballot on or before 5.00 PM on Thursday, the 26th March, 2020 at the Registered Office of the Company

Place: Avinashi
Date: 14th February, 2020

By Order of the Board
For **S.P.APPARELS LIMITED**
Sd/-
Vinodhini Kanagaraj
Company Secretary

Enclosure:

1. Postal Ballot Form
2. Postage prepaid envelope

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1

Phone: 91-4296-714000.

POSTAL BALLOT FORM

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

<p>1. Registered Folio No./ DP ID No. & Client ID No. *</p> <p>*(Applicable to members holding shares in dematerialized form)</p>	
<p>2. Name(s) & Registered Address of the sole / first named shareholder / Beneficial owner, including Joint holder(s) (IN BLOCK LETTERS)</p>	
<p>3. Number of Shares held</p>	

I/We hereby exercise my/our vote in respect of the following Ordinary / Special Resolution(s) proposed to be passed through postal ballot for the business stated in the postal ballot Notice dated 14th February 2020 of the Company by conveying my / our assent (FOR) or dissent (AGAINST) to the said resolution(s) by placing the tick (✓) mark at the appropriate box below;

Resolution No	Description of Resolutions	No. of Shares	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Approval for Related Party Transaction under Section 188 of the Companies Act, 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Ordinary Resolution)			
2.	Sale of Retail Division of S.P.Apparels Limited to S.P.Retail Brands Limited on a slump sale basis as a going concern pursuant to Section 180(1)(a) of Companies Act 2013. (Special Resolution)			
3.	Approval to Amend the Articles of Association of the Company by inserting the new Sub Clause 161(1) after the existing clause 161.(Special Resolution)			

Date :

Signature of Shareholder
(Refer instruction no. (d) overleaf)

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

EVENT NO.	User ID	Default PAN* / Sequence No
200017		

* Those who have not registered their PAN may use Default 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 Wednesday, 25th March, 2020 (5.00 PM).

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INSTRUCTIONS

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- a) A member desiring to exercise 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.
- 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) Member desiring to exercise his/her vote may put the tick mark (✓) in the column provided for assent or dissent. Postal Ballot Form bearing (✓) in both the column will render the form invalid.
- d) 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.
- e) Votes through Postal Ballot Form shall not be exercised by a Proxy.
- f) In case of shares held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board Resolution/Authority.
- g) Incomplete, unsigned or incorrectly ticked Postal Ballot Form will be rejected.
- h) In case the number of shares is not mentioned against the resolution, it will be deemed that the member has exercised his votes for the entire shares held by him.
- i) In addition to the reasons as mentioned above for rejection, Postal Ballot Form/Votes will be considered invalid on the following grounds:
 - i. If a form other than the one issued by the company has been used.
 - ii. If the form has not been signed by or on behalf of the member.
 - iii. If the shareholders' signature does not tally.
 - iv. If it is not possible to determine without any doubt the assent or dissent of the member.
 - v. If assent or dissent is not mentioned.
 - vi. If assent or dissent is given subject to some amendment to the resolution or condition.
 - vii. If any competent authority has given direction in writing to the Company to freeze the voting rights of a member.
 - viii. If the envelope containing the postal ballot form is received after the last date and time prescribed.
 - ix. 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.
 - x. If the Postal Ballot Form is filled and / or signed in pencil.
 - xi. 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 above grounds.
- j. In terms of the provisions of Rule 22 of the Companies (Management and Administration) Rules, 2014, Mr. M D Selvaraj, Practicing Company Secretary, Coimbatore, has been appointed as the Scrutinizer for conducting the postal ballot. Duly completed Postal Ballot Form should reach the Scrutinizer not later than 5.00 p.m. on Wednesday, 25th March, 2020. If any postal ballot form is received after this time and date, it will be considered that no reply from such member has been received.
- k) 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.
- l) A member is neither required to cast all his/her votes nor he/she is required to vote in the same manner.
- m) There will be one Postal Ballot Form for every Folio/ Client ID, irrespective of the number of Joint holders.
- n) Members receiving the Postal Ballot notice by email may request for a duplicate Postal Ballot Form, if so required, from the Registrar and Share Transfer Agent, Link Intime India Private Limited, Surya, 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641 028. However, the duplicate Postal Ballot Forms should reach the Scrutinizer not later than the date specified in (j) above.
- o) 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.
- p) The Scrutinizer's decision on the validity of the Postal Ballot form will be final.