

13th August, 2016

To

The Chairman,
Sri Kannapiran Mills Limited
Post Bag No:1,Sowripalayam,
Coimbatore – 641 028.

Dear Sir,

Sub: Postal ballot process under Section 110 of the Companies Act, 2013 ("Act"), read with the Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rule") – Submission of **Scrutiniser's report**.

The Board of Directors of your company has, vide resolutions passed on **9th July, 2016**, **decided to:**

- (a) **Conduct a postal ballot** process to obtain the approval of your members for **amending Articles of Association and for Buy-back of Equity shares of the Company**.
- (b) **Provide the** members of your company to send their assent or dissent on the said resolution in writing on a **Postal Ballot Form**;
- (c) **Fix 9th July, 2016** as the **cut-off date** to determine the **members eligible** to exercise their votes and the number of votes that can be exercised by such members; and
- (e) **Appoint** me as the **Scrutiniser** for conducting the postal ballot process in a fair and transparent manner.

I submit my report as under:

1. Your company had **830 members** holding equity shares on the **Register of members** as on **9th July, 2016** ("cut-off date").
2. Postal Ballot facility was made available to the members and the postal ballot notice duly contains the necessary particulars.
3. **Postal ballot notice** was sent on 13th July, 2016 through **Registered Post** to **830 members**, along with the postal ballot enclosed on self-addressed postage pre-paid envelope.
4. The postal ballot notice has also been placed on the Company's website **www.kannapiran.co.in** and has remained on the website till the last date for receipt of the postal ballot forms from the members.

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5. The postal ballot notice indicates the process and manner for voting by Postal ballot and also mentioned that:
 - (a) The business set out in the notice may also be transacted through Postal Ballot process.
 - (b) **13th August, 2016 (5.00 P.M. IST)** would be the last date and time for ballots to reach the Scrutiniser.
6. The Company **published advertisements** about having sent the postal ballot notice on **15th July, 2016** in the following newspapers, having wide circulation in Coimbatore District in which the registered office of the Company is situated.
 - (a) "The Financial Express" an English newspaper in English language; and
 - (b) "Dinamani" a Tamil newspaper in Tamil language (Coimbatore edition).
7. The **postal ballot forms** received were opened in my presence and scrutinised.
8. After 5.00 p.m. on 13th August, 2016, I have finalised the votes in the presence of two witnesses not in the employment of the company.
9. I have:
 - (i) Scrutinised all the **postal ballot forms received** from the members of the company **upto 5.00 p.m. on 13th August, 2016.**
 - (ii) Not received any postal ballot forms after **5.00 p.m. on 13th August, 2016.**
 - (iii) Not received any mutilated ballot papers.
 - (iv) Considered one (1) ballot for 50 shares as invalid due to no details filled-up in the ballot form.
 - (v) Matched / confirmed the shareholding as stated in the postal ballot forms with that mentioned in the Register pf Members as on the cut-off date.
 - (vi) Recorded the details in a separate register maintained for the purpose.



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10. A summary of the voting is given below:

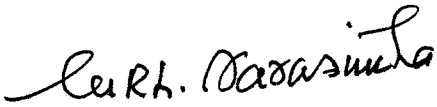
Particulars	Number of members	Number of shares / votes
Total eligible members / votes as on cut-off date	830	3682880

Particulars	Resolution No. 1 Amending Articles of Association		Resolution No. 2 Buy-back of Equity Shares	
	Ballots	Votes	Ballots	Votes
Participating members and valid ballots exercised :	36	2026300	36	2026300
Valid ballots exercised for the resolution :	34	2026100	33	2025580
Valid ballots exercised against the resolution :	0	0	1	100
Abstained	2	200	2	620
Valid ballots exercised as a percentage :				
(a) For the resolution (assent)		99.99%		99.96%
(b) Against the resolution (dissent)		Nil		0.004%

11. Hence, in terms of Clause 16.6.3 of the Secretarial Standard on General Meetings, the **special resolution is deemed to have been passed on 13th August, 2016**, being last date specified by the company for receipt of duly completed postal ballot forms.

12. You may accordingly declare the result of the postal ballot process


Thanking you,
Yours faithfully,



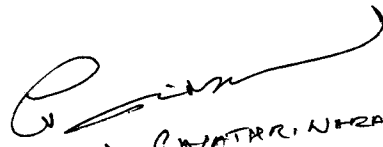
M R L Narasimha
Scrutiniser

M.R.L. NARASIMHA, B.Com., FCS.,
Practising Company Secretary
M. No : 2851, C.P. 799,
Old No : 34-C, New No : 8, IIIrd Cross,
RAMALINGA NAGAR, K.K. PUDUR,
COIMBATORE - 641 038
CELL : 98422 54175

Witness

1. 
G. Sasi Kumar
No. 59, Meenachi Nagar
Coimbatore - 30.

2.


C.N. RAGHAVARAM
15, V R N NAGAR, 2nd St,
Gandipalem AVE, CH - 641016.