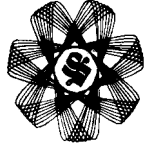


Sree Satyanarayana Spinning Mills Limited

Regd. Office & Mills: Venkatarayapuram, TANUKU – 534215, W.G. District, Andhra Pradesh, INDIA

Ph: 08819-224166, Email: sssmills.tanuku@gmail.com, Website: www.sssmills.com

CIN: U18101AP1962PLC000919



Notice of Extraordinary General Meeting

Dear Member(s),

Notice is hereby given that the Extra-ordinary General Meeting of the members of Sree Satyanarayana Spinning Mills Limited will be held on **Wednesday, 9th day of August, 2023 at 10.00 A.M** at the Registered Office of the Company situated at Venkatarayapuram, Tanuku – 534 215, West Godavari District, Andhra Pradesh to transact the following Business:

Special Business:

1. Approval for Buyback of 2, 62,525 Equity Shares of Rs. 10/- fully paid up.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act 2013 (“the Act”) and Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 (“the Rules”) (including any statutory modification and re-enactment thereof, for the time being in force) and in accordance with any other rules and regulations, if any, of the Ministry of Company Affairs (“MCA”), the enabling provisions in the Memorandum and Articles of Association of the Company and subject to such other terms, conditions and modifications as may be considered appropriate, the consent of the members of the Company be and is hereby accorded to purchase the Company’s own equity shares (hereinafter referred to as the “Buyback”), up to 2,62,525 (Two Lakh Sixty Two Thousand Five Hundred And Twenty Five Only) fully paid equity shares of the face value of Rs. 10/- each and constituting 25% of the total paid up share capital of the Company at a price not exceeding Rs. 439.26/- (Rupees Four hundred thirty nine and twenty six paise only) per equity share (the “Buy Back Offer Price”) payable in cash for an aggregate amount not exceeding Rs.11,53,16,731.50 /- (Rupees Eleven crores fifty three lakhs sixteen thousand seven hundred thirty one and fifty paise only) on a proportionate basis and in accordance with the provisions of the Buyback contained in the Act and the rules and regulations prescribed thereunder.


RESOLVED FURTHER THAT the Company do accept all the equity shares offered for buyback if the offer is otherwise in order and in case the aggregate of the equity shares offered for buyback is more than the 2,62,525 Equity shares to be bought back, the acceptance of the offer from each shareholder shall be scaled down on proportionate basis.”

RESOLVED FURTHER THAT Mr.E.Sathyanarayana, DIN: 01285696, Managing Director and Chief Executive Officer and Mrs.E.Rajeswari, DIN: 01720295, Director be and are hereby severally authorised to resolve any question or difficulty of whatsoever nature as may arise while implementing the resolution and to do all such acts, things, deeds as may be considered necessary, expedient, requisite or proper in the interest of the Company for giving effect to the resolution.

RESOLVED FURTHER THAT Mr.E.Sathyanarayana, DIN: 01285696, Managing Director and Chief Executive Officer and Mrs.E.Rajeswari, DIN: 01720295, Director be and are hereby severally authorised to give effect to the aforesaid resolution(s) or to accept any change(s) or modification(s) as may be suggested by the appropriate authorities or advisors.

RESOLVED FURTHER THAT Mr.E.Sathyanarayana, DIN: 01285696, Managing Director and Chief Executive Officer and Mrs.E.Rajeswari, DIN: 01720295, Director be and are hereby severally authorized to file the prescribed forms with the concerned Registrar of Companies and take all necessary actions in this matter.”

For and on behalf of Board of Directors of
Sree Satyanarayana Spinning Mills Ltd



Ethirajulu Sathyanarayana
Managing Director and Chief Executive Officer
(DIN 01285696)

Venkatarayapuram, Tanuku-534215
12th July, 2023

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy and vote instead of himself and the proxy need not be a member.
2. An instrument appointing proxy to be valid must be duly filled in, stamped, signed and deposited at the Registered Office of the Company, not later than 48 hours before commencement of the meeting.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Members are requested to intimate change of address, if any, immediately at the registered office of the company.
5. The Explanatory statement pursuant to Section 102 of the Companies Act 2013 is annexed hereto.
6. The documents referred to in the Explanatory Statement such as the Memorandum of Association and Articles of Association of the Company, audited financial statements for the period ended on 31.03.2023, will be available for inspection by the members in both physical and electronic form at the registered office of the Company on any working day excluding public holidays and Sundays, between 10.00 A.M. to 5:00 P.M. upto and including the date of extra-ordinary General Meeting.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE:**Item No.1**

The Board of Directors of the Company at its meeting held on Wednesday, July 12, 2023 (“Board Meeting”) has, subject to the approval of the Members of the Company by way of Special Resolution and subject to such approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved buyback of fully paid-up Equity Shares of face value of Rs.10/- (Rupee Ten) each (“Equity Shares”) up to 2,62,525 Equity Shares, on a proportionate basis in accordance with the Act, the Companies (Share Capital and Debentures) Rules, 2014 (“Rules”), to the extent applicable, at a price of Rs.439.26 (Rupees Four hundred thirty nine and twenty six paise only) per Equity Share payable in cash for an aggregate consideration not exceeding Rs.11,53,16,731.50/- (Rupees Eleven crores fifty three lakhs sixteen thousand seven hundred thirty one and fifty paise only) (“Offer Size”) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc. (“Buyback”). The Buyback shall be within 25% of the aggregate of paid up capital and free reserves of the Company as per audited accounts of the Company as on March 31, 2023.

The Offer Size of the Buyback constitutes 25 % of the aggregate paid-up equity share capital and free reserves of the Company, and represents 25% of the total issued and paid-up equity share capital of the Company. Since the Buyback is more than 10% of the total paid up equity capital and free reserves of the Company, in terms of Section 68(2)(b) of the Act, it is necessary to obtain the consent of the Members of the Company, to the Buyback, by way of a special resolution. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the Resolution.

Further, in terms of Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 the Company is required to make the following disclosures in the explanatory statement relating to the Buyback are given below:

a) the date of the board meeting at which the proposal for buy-back was approved by the board of directors of the company: 12.07.2023

b) Objective of the Buyback:

The members may be aware that our company was originally listed with Madras Stock Exchange and since all Regional Stock Exchanges have been de-recognized by SEBI in terms of its circular dated 30th May 2012 and consequently the Company was moved to the Dissemination Board (DB). Subsequently, SEBI vide circular dated 17th April, 2015 allowed a period of 18 months time to Exclusive Listed Companies on DB to obtain listing upon compliance with the listing requirements of the nationwide stock exchanges. Further, in terms of the above said circular and the circular issued on 10th October, 2016, SEBI has also directed the ELCs, which fail to list on the nationwide stock exchanges under the aforesaid mechanism shall provide exit to its investors as per the Para 4(d) of the said circular. Hence, in order to protect the interest of all the existing public shareholders of our company and in terms of the said circulars issued by SEBI from time to time, for providing the exit option to the public shareholders of the company, the company had proposed this buyback of shares from existing public shareholders of the company. Further, the company had also communicated to NSE about providing an exit opportunity to the public shareholders in terms of the above said SEBI circular. Further, in terms of the said SEBI circular being the exit

opportunity given to the public shareholders, the offer is being restricted to the persons who hold shares in the public category and shall not be made available to the Promoter and Promoter group.

c) the class of shares or other securities intended to be purchased under the buy-back:

The Company has only one class, Equity Shares, which is intended to be purchased under the buy-back.

d) the number of securities that the company proposes to buy-back:

The company proposes to buy-back up to 2,62,525 fully paid-up equity shares.

e) the method to be adopted for the buy-back:

The Buyback shall be on a proportionate basis from all the non-promoters holding equity shares of the Company. The Buyback will be implemented in accordance with the provisions of Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable and on such terms and conditions as may be deemed fit by the Company.

The Company shall make the Buy Back Offer to its shareholders as mentioned in its Register of Members on the specified Date on a proportionate basis through private offers.

f) the price at which the buy-back of shares or other securities shall be made and the basis of arriving at the buy-back price:

The equity shares of the Company are proposed to be bought back at a price Rs. 439.26/- per share (the "Buyback offer price").

g) the maximum amount to be paid for the buy-back and the sources of funds from which the buy-back would be financed:

The Company proposes to Buy- Back a maximum of 2,62,525 Equity shares of Rs.10/- each. The total amount of funds required for the Buy Back Offer for the maximum number of shares proposed for buy-back is Rs. 11.53,16,731.50/- (Rupees Eleven crores fifty three lakhs sixteen thousand seven hundred thirty one and fifty paise Only). Company shall buy-back up to 2,62,525 Equity shares each at Rs. 439.26, per Equity share out of the Free Reserves and surplus of the Company.

h) the time-limit for the completion of buy-back:

The Company proposes to complete the buyback offer on or before 28.09.2023 as committed in the letter of intent submitted to NSE.

i) Details of holding and transactions in the shares of the Company

- (i) the aggregate shareholding of the promoters and of the directors of the promoter, where the promoter is a company and of the directors and key managerial personnel as on the date of the notice convening the general meeting:

Sl.No	Name of Equity shareholder	No. of shares held	% share holding
1.	E.Sathyanarayana	179140	17.06
2.	E Ranga Rao	55310	5.27
3.	E.Rajeswari	48800	4.65
4.	E Sailesh	42570	4.05
5.	E.Sidhaarth	14600	1.39
6.	E Rama Lakshmi	5000	0.48
7.	L Nagaswarna	4420	0.42
8.	M/s. Ramalakshmi Spinners Pvt ltd	10000	0.95

(ii) the aggregate number of equity shares purchased or sold by persons mentioned in sub-clause (i) during a period of twelve months preceding the date of the board meeting at which the buy-back was approved and from that date till the date of notice convening the general meeting: Not Applicable

(iii) the maximum and minimum price at which purchases and sales referred to in sub-clause (ii) were made along with the relevant date: Not Applicable

j) If the persons mentioned in sub-clause (i) of clause (i) intend to tender their shares for buy-back-

(i) The quantum of shares proposed to be tendered: Not Applicable

(ii) the details of their transactions and their holdings for the last twelve months prior to the date of the board meeting at which the buy-back was approved including information of number of shares acquired, the price and the date of acquisition: Not Applicable

k) Confirmations from the Company as per the Act:

The Directors of the Company confirm that that there are no defaults subsisting in repayment of deposits, interest payment thereon, redemption of debentures or payment of interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

l) Confirmations from the Board:

The Board of directors have made a full enquiry into the affairs and prospects of the company and that they have formed the opinion:-

(i) that immediately following the date on which the general meeting is convened there shall be no grounds on which the company could be found unable to pay its debts;

(ii) as regards its prospects for the year immediately following that date, that, having regard to their intentions with respect to the management of the company's business during that year and to the amount and character of the financial resources which will in their view be available to the company during that year, the company shall be able to meet its liabilities as and when they fall due and shall not be rendered insolvent within a period of one year from that date; and

(iii) the directors have taken into account the liabilities (including prospective and contingent liabilities), as if the company were being wound up under the provisions of the Companies Act, 2013.

m) Report addressed to the Board of Directors by the company's auditors:

Report dated 12.07.2023 received from M/s. Brahmayya & Co, Chartered Accountants (FRN: 000513S) Statutory Auditors of the Company addressed to the Board of Directors is attached herewith.

None of the Directors/KMP of the Company and/or their relatives are, in anyway, concerned or interested, either directly or indirectly in passing of the said resolution, save and except to the extent of their shareholding in the Company.

For and on behalf of Board of Directors of

Sree Satyanarayana Spinning Mills Ltd



Ethirajulu Sathyanarayana
Managing Director and Chief Executive Officer
(DIN 01285696)

Venkatarayapuram, Tanuku-534215
12th July, 2023

SREE SATYANARAYANA SPINNING MILLS LTD

(U18101AP1962PLC000919)

Regd Off: Venkatarayapuram, Tanuku – 534 215, West Godavari Dist. Andhra Pradesh**Member's Folio Number** _____**No. of Shares held** _____***ATTENDANCE SLIP***

(To be handed over at the Entrance of the Meeting Hall)

I hereby record my presence at the Extra-Ordinary General Meeting of the Company being held on Wednesday, 9th day of August, 2023 at 10.00 A.M. at Venkatarayapuram, Tanuku – 534 215, West Godavari Dist., Andhra Pradesh.

Name of the Attending Member (in Block Letters): _____**Name of the Proxy:** _____

(To be filled in if the proxy attends instead of the member)

Signature of the Member/Proxy: _____

*To be signed at the time of handing over this slip

Note:

Shareholders/Proxy holders are requested to bring the attendance slip with them duly filled in when they come to the meeting and hand it over at the gate after affixing the signature on it.

Form No. MGT-11**Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U18101AP1962PLC000919

Name of the Company: Sree Satyanarayana Spinning Mills Ltd.

Registered office: Venkatarayapuram, Tanuku – 534 215, West Godavari Dist., Andhra Pradesh

Name of the member (s):

Registered address:

E-mail Id:

Folio No:

I/We, being the member (s) of _____, shares of the above named Company, hereby appoint

1. Name:
Address:
E-mail Id:
Signature: _____, or failing him

2. Name:
Address:
E-mail Id:
Signature: _____, or failing him

3. Name:
Address:
E-mail Id:
Signature: _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra-ordinary General Meeting of the Company, to be held on Wednesday, 9th day of August, 2023 at 10.00 A.M at Venkatarayapuram, Tanuku, West Godavari Dist Andhra Pradesh 534215 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl.No	Resolution	For	Against
1.	Approval for Buyback of 2,62,525 Equity Shares of Rs. 10/- fully paid up		

Signed this day of 2023.

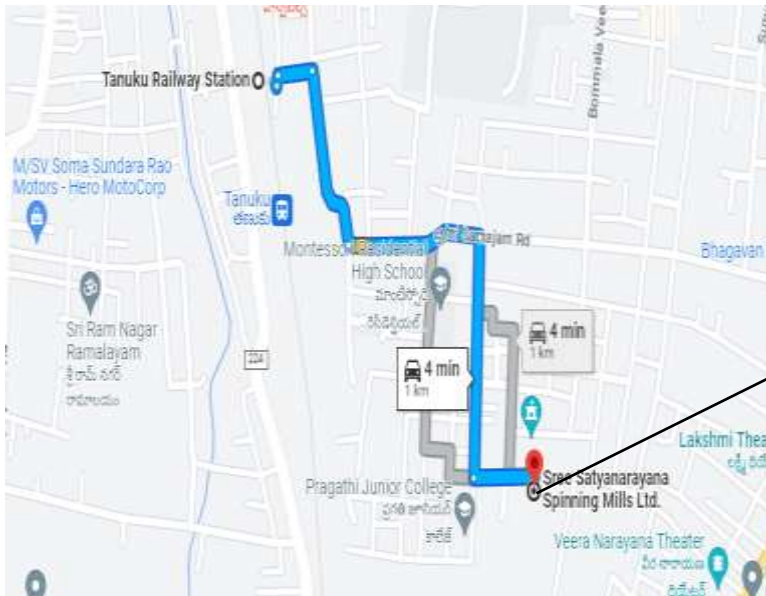
Signature of shareholder: _____

Signature of Proxy holder(s): _____

Affix
Revenue
stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route Map for attending EGM



EGM Venue:
VENKATA
RAYAPURAM,
TANUKU – 534 215,
WEST GODAVARI
DISTRICT, ANDHRA
PRADESH.

Date: 12.07.2023

To,
The Board of Directors
Sree Satyanarayana Spinning Mills Ltd.
Venkatarayapuram, Tanuku
West Godavari, Andhra Pradesh-534 215

Dear Sir,

We, the Auditors of the Company, pursuant to the provisions of Section 68 of the Companies Act, 2013 and the Companies (Share capital and debentures) Rules, 2014 in relation to the buy-back of 2,62,525 equity shares of the Company, do hereby certify that:

- (i) we have inquired into the Company's state of affairs,
- (ii) the amount of the permissible capital payment for the equity shares in question is in their view properly determined,
- (iii) the audited accounts of the company which were reviewed by us, on the basis of which calculation with reference to buy back is done is not more than six months old from the date of offer document
- (iv) the Board of Directors in their meeting held on 12th July, 2023 have formed their opinion as specified in Rule 17(1)(m) of the Companies (Share capital and debentures) Rules, 2014 on reasonable grounds and that the Company having regard to its state of affairs, shall not be rendered insolvent within a period of one year.

For **Brahmayya & Co**
Chartered Accountants
Firm Registration No: 00513S



(T.V.Ramana)
Partner
Membership No: 200523

UDIN: 23200523B9SVPU1838