

Thambbi Modern Spinning Mills Limited

CIN : L17111TZ1977PLC000776



26/07/2019

To,

Bombay Stock Exchange Limited.,

P.J Towers,

Dalal Street,

Mumbai-400 001

Dear Sir,

Sub: Submission of Annual Reports for the Financial Year 2016-17-Reg...

We herewith filed Annual Reports for the Financial Year 2016-17 for your perusal as per Regulations 34 of the SEBI LODR REGULATIONS 2015.

Kindly take the note of same.

Thanking you.

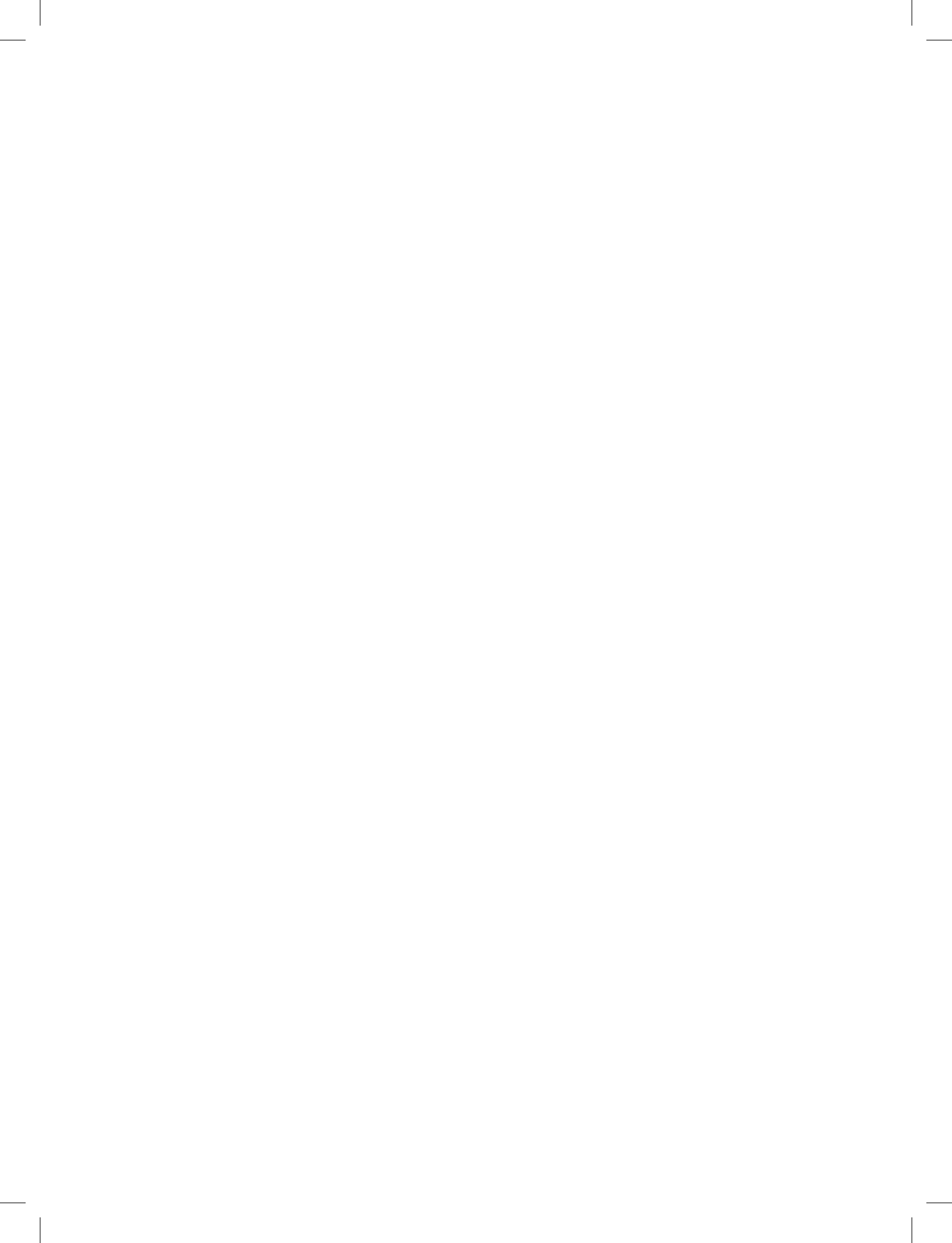
For Thambbi Modern Spinning Mills Limited.,

Managing Director
DIN : 01153985
R Jagadeesan

TMS

**THAMBBI MODERN
SPINNING MILLS LIMITED**

**39th Annual Report
2016-2017**



THAMBBI MODERN SPINNING MILLS LIMITED

BOARD OF DIRECTORS :	Mr. R. Jagadeesan- Managing Director Mrs. Malathi Jagadeesan-Non-Executive Director Mr. M. Pugazhendhi-Independent Director Mr. Ashok P. Shah-Independent Director
COMPANY SECRETARY:	Ms. N.Aishwarya
AUDITORS:	M/s. Sankaran & Krishnan Chartered Accountants Chennai 34
BANKERS:	LIC Housing Finance Ltd, Coimbatore ICICI Home Finance Company Ltd., Salem
REGISTERED OFFICE & UNIT I :	Omalur Road Jagir Ammapalayam Post Salem 636 302
CORPORATE IDENTITY NO:	L17111TZ1977PLC000776
UNITS II & III:	Opp. TNEB Sub Station Udayapatti By-pass Road Kamaraj Nagar Colony Post Salem 636 014
REGISTRAR & TRANSFER AGENTS:	Cameo Corporate Services Limited Subramanian Building, V Floor, No.1, Club House Road, Chennai 600 002

THAMBBI MODERN SPINNING MILLS LIMITED

Registered Office : Omalur Road, Jagir Ammapalayam, Salem-636 302

Corporate Identity Number (CIN) : L 17111TZ1977PLC000776

Website :www.thambbimodern.com,Email : tmsml@ymail.com

Tel :0427-2345425

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Thirty Ninth Annual General Meeting of the Company will be held at the Company's Mill Premises at Unit II, Opp. TNEB Sub Station, Udayapatti By-pass Road, Kamaraj Nagar Colony Post, Salem 636 014 on Thursday, the 31st August, 2017 at 10:00 A.M to transact the following business:

ORDINARY BUSINESS:

ADOPTION OF FINANCIAL STATEMENTS

1. To consider and if deemed fit to pass, with or without modifications, the following Resolution as an Ordinary Resolution :

RESOLVED THAT the Audited Balance Sheet as at 31st March 2017 together with the statement of Profit and Loss ,cash flow statement and notes to accounts for the year ended as on that date and the Reports of the Directors and the Auditors thereon be and are hereby received ,considered and adopted.

RE-APPOINTMENT OF MRS.MALATHI JAGADEESAN, DIRECTOR RETIRING BY ROTATION

2. To consider and if deemed fit to pass, with or without modifications, the following Resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149,152 and other applicable provisions of the Companies Act 2013 and the Rules framed there under (including any statutory modifications) or re-enactment thereof for the time being in force) Mrs.Malathi Jagadeesan holding DIN 00153952, Non Executive Director retiring by rotation at this AGM be and is hereby re-appointed as Non-executive director of the company.

APPOINTMENT OF STATUTORY AUDITOR

3. To consider and if deemed fit to pass, with or without modifications, the following Resolution as an Ordinary Resolution :

RESOLVED THAT pursuant to the provisions of section 139(2) and other applicable provisions ,if any of the Companies Act 2013 and the rules framed there under (including any statutory modifications or re enactment thereof for the time being in force),M/S.R.Sundararaman & Co Chartered Accountants (Firm Regn.No.004219S) be and they are hereby appointed as Statutory Auditors of the company to hold office until the next Annual General Meeting for the financial year 2017-18 on a remuneration of Rs.50,000/- (Rupees Fifty Thousand Only) excluding the out of pocket expenses that may be incurred by them in connection with the audit and excluding the applicable service tax.

Place : Salem

Date : 21st July, 2017

For and on behalf of the Board of
THAMBBI MODERN SPINNING MILLS LIMITED

N.Aishwarya
Company Secretary

NOTES

1. A Member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

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2. Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board resolution together with the specimen signatures of their authorized representatives to attend and vote on their behalf at the meeting
3. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to remote e-voting are given in this Notice under Note No. 20.
4. In terms of Section 152 of the Companies Act, 2013, Ms.Malathi Jagadeesan, (DIN : 00153952), Non Executive Director retire by rotation at this Meeting and being eligible, offer herself for re-appointment and her term would be up to next Annual General Meeting. The Board of Directors of the Company commends her respective re-appointment. Ms.Malathi Jagadeesan aged about 63 years. She is a Science graduate having expertise and experience in the field of Textiles. She is associated with the company from 10th October, 1994 as Director on the Board.

Details of the Directorship/Member of Committee including M/s Thambbi Modern Spinning Mills Limited held by Ms.Malathi Jagadeesan.

Directorship	Membership/Chairmanship at Committees of M/s Thambbi Modern Spinning Mills Limited
Director of M/s Thambbi Modern Spinning Mills Limited M/s Sunrise Jewelleries Private Limited M/s Jagadeesh Apartments Private Limited M/s. Mangaiyar Benefit Fund Private Limited	Member of Audit Committee Chairman of Stakeholders Relationship Committee Member of Nomination and Remuneration Committee

5. Members/Proxy is requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Sundays, during business hours up to the date of the Meeting.
8. The Company has notified closure of Register of Members and Share Transfer Books from **Friday, the 25th August, 2017 to Thursday, the 31st August, 2017** (both days inclusive).
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Cameo Corporate Services Limited.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Cameo Corporate Services Limited, Chennai.
11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be requested from the Company.
12. Non – Resident Indian Members are requested to inform Cameo, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

THAMBBI MODERN SPINNING MILLS LIMITED

13. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
14. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
15. The facility for voting through poll shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM through ballot paper.
16. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
17. The Board of Directors of the Company has appointed Mr.R.Kannan, Practicing Company Secretary, Chennai as Scrutinizer to scrutinize the Poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
18. The Scrutinizer, after scrutinizing the votes cast at the meeting poll and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.thambbimodern.com. The results shall simultaneously be communicated to the Stock Exchanges.
19. **The instructions for shareholders voting electronically are as under:**
 - (i) The voting period begins on Monday, **the 28th day of August, 2017 at 9.00 A.M and ends on Wednesday, the 30th day of August, 2017 at 5.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date of Thursday, the 24th August, 2017** 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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>

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- (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 the relevant Thambbi Modern Spinning Mills Limited on which you choose to vote.
- (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. 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 Corporate.
 - 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.
- 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

Place : Salem
Date : 21st July, 2017

For and on behalf of the Board of
THAMBBI MODERN SPINNING MILLS LIMITED
N.Aishwarya
Company Secretary

THAMBBI MODERN SPINNING MILLS LIMITED

Board's Report

TO THE MEMBERS,

The Directors submit the annual report of M/s Thambbi Modern Spinning Mills Limited along with the audited financial statement for the year ended 31st March, 2017.

FINANCIAL RESULTS

Particulars	2016- 2017 In lacs	2015- 2016 In lacs
Revenue from Operation	179.23	201.99
Profit / (Loss) before depreciation and taxation	(26.36)	12.98
Depreciation	23.24	29.80
Profit / (Loss) Before Taxation	(49.60)	(16.82)
Net Profit / (Loss)	(49.60)	(16.82)

PERFORMANCE

During the year under review, your company's revenue is Rs.179.23 Lakhs compared to the revenue of Rs.201.99 Lakhs in the previous year. The Company has made cash loss of Rs.26.36 Lakhs for the financial year as against cash profit of Rs.12.98 Lakhs in the previous year.

FUTURE PLAN

The company during the FY 2016-2017, incorporated a subsidiary company in the name and style of Roshan Integrated Private Limited. The main object of incorporating a subsidiary company is to enable corporate restructuring and new Business plan for profit maximization and earning capacity of the company than present capacity.

DIVIDEND

The Company incurred net loss in the financial year. In view of this your directors are unable to recommend any dividend for the year.

COMPLIANCE UNDER COMPANIES ACT 2013

Pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, your Company complied with the compliance requirements and the detail of compliances under Companies Act, 2013 are enumerated below.

COST AUDIT

Our Company is exempted from the requirement to conduct Cost Audit

CORPORATE SOCIAL RESPONSIBILITY - Not Applicable

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNEDR SECTION 186 OF THE COMPANIES ACT 2013- NIL

AUDITORS

As per companies act of 2013, there is requirement for rotation of statutory auditors firm after completion of three years from the expiry of four term of five years each (which expired with audit of FY 12-13 accounts) for the existing statutory auditors firm M/s. Sankaran & Krishnan, Chartered Accountants (Firm Regn. No.003582S) .Accordingly a new auditor has to be appointed for the company for audit of accounts for the year FY 2017-18.The new audit firm M/S.R.Sundararaman & Co .,Chartered Accountants ,Chennai (Firm Regn.No.004219S) have confirmed their eligibility and willingness to accept office, if appointed .On the recommendation of the Audit Committee, your company's board is placing the Resolution u/s.139 (2) of the Companies Act, 2013,for appointing him as the Statutory Auditors of the Company for the current financial year 2017-18.

THAMBBI MODERN SPINNING MILLS LIMITED

AUDIT COMMITTEE

Details of Composition of Audit Committee are covered under corporate governance report annexed with this report and forms part of this report. Further, during this year all the recommendations of the Audit committee have been accepted by the Board.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Brief details about the policy are provided in the Corporate Governance Report which forms part of this report.

CORPORATE GOVERNANCE

As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report on Corporate Governance is given as a part of the board's report. The Company is in full compliance with the requirements and disclosures that have to be made in this regard. The Auditors' Certificate of the compliance with Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

It is comprising of all information as prescribed under Regulation 34 (2) (e) and schedule V of the SEBI (Listing obligation and Disclosure Requirement) Regulations, 2015 is attached to the Board's Report. Disclosures have been made by the Senior Management relating to all material, financial and commercial transactions with personal interests, if any. Based on the declarations made, no transaction was in conflict with the interest of the Company.

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of Ms.J.Bhuvaneshwari, Practising Company Secretary , Chennai to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2017. The Secretarial Audit Report (in Form MR-3) is attached as ANNEXURE- I to this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the board, meetings of the board held during the year and the attendance of the directors thereat have been mentioned in the report on corporate governance in the board's report.

Ms.Malathi Jagadeesan, Director is the "Key Managerial Personnel" of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

In accordance with articles of association of the company and the provisions of the companies Act, 2013, Ms.Malathi Jagadeesan, Director retire by rotation at this Annual General Meeting and being eligible offer her selves for re-appointment. None of the Directors is disqualified for appointment/reappointment under Section 164 of the Companies Act, 2013.

The Independent Directors of the Company have declared that they meet the criteria of Independence in terms of Section 149(7) of the Companies Act, 2013 and that there is no change in their status of Independence.

REMUNERATION POLICY OF THE COMPANY

The Remuneration policy of the Company comprising the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters have been provided in the Corporate Governance Report which forms part of this report.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 15 (2) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors at their meeting without the participation of the Non-independent Directors, considered/evaluated the Boards' performance, Performance of the Managing Director and other Non-independent Directors.

THAMBBI MODERN SPINNING MILLS LIMITED

The criteria for performance evaluation have been detailed in the Corporate Governance Report which forms part of this report.

BOARD MEETINGS HELD DURING THE YEAR

During the year, 8 meetings of the Board of Directors were held. The details of the meetings are furnished in the Corporate Governance Report which forms part of this report.

EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT-9 as on 31st March, 2017 is attached as ANNEXURE – II, which forms part of this report.

FUND RAISING: Equity – Nil , Deposits - Nil

DEBT

During the year, your Company has obtained LRD Loan to the tune of Rs.235 Lakhs from M/s ICICI Home Finance Company Limited and Rs.424 lakhs from M.S.LIC Housing Finance Limited. The Company has repaid Rs.15.23 Lakhs as on 31st March, 2017.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, No employees are drawing remuneration in excess of the limits set out in the said Rules.

Having regard to the provisions of Section 136(1) read with its relevant provision of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available at the website and also at the Registered Office of the Company for inspection during working hours and any member interested in obtaining such information may write to the Compliance Officer and the same will be furnished without any fee and free of cost.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- b) for the financial year ended 31st March, 2017, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the Profit and Loss of the Company for the year ended 31st March, 2017.
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the annual financial statements have been prepared on a going concern basis.
- e) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

THAMBBI MODERN SPINNING MILLS LIMITED

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Details of the same are provided in the Management Discussion and Analysis Report which forms part of this report.

RESEARCH AND DEVELOPMENT, CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO - NIL.

ACKNOWLEDGEMENT

Your Directors thanks to M/s LIC Housing Finance, ICICI Home Finance and the State and Central Government Departments for the support and look forward to their continued support in future.

Place : Salem
Date : 21st July, 2017

By order of the Board of Directors
R.Jagadeesan
Managing Director

ANNEXURES TO BOARD'S REPORT

REPORT ON CORPORATE GOVERNANCE

Pursuant to Schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance is given below

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders, viz., the employees, customers, vendors and the society at large. The Company seeks to achieve this goal by being transparent in its business dealings, by disclosure of all relevant information in an easily understood manner, and by being fair to all stakeholders, by ensuring that the Company's activities are managed by a professionally competent and independent Board of Directors.

2. BOARD OF DIRECTORS

As on 31st March, 2017, Your Company's Board comprised of four Directors. The board is comprised with One Executive Director, One Non-Executive Director and two Independent Directors (50% of the board is composed with Independent Directors). As per Regulation 17(1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board is composed with a women director.

COMPOSITION OF BOARD

Name and category of the Directors	% to the total number of Directors
Mr.R.Jagadeesan, Managing Director	25.00 %
Ms.Malathi Jagadeesan, Non Executive Director	25.00 %
Mr.Ashok P shah, Independent Director	50.00 %
Mr.M. Pugazendhi, Independent Director	

THAMBBI MODERN SPINNING MILLS LIMITED

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND DATES ON WHICH HELD AND DIRECTOR'S ATTENDANCE AT BOARD MEETINGS DURING THE FINANCIAL YEAR 2016 – 2017 AND LAST ANNUAL GENERAL MEETING (AGM)

Eight board meetings were held during the year ended 31st March, 2017. They were i.e on 19.05.2016, 12.07.2016, 11.08.2016, 29.08.2016, 11.11.2016, 14.12.2016, 14.02.2017 and 13.03.2017.

Names of the Director	No. of Board Meetings attended during the year 2016-2017	Whether attended last AGM held on 29.08.2016
Mr.R.Jagadeesan	8	No
Ms.Malathi Jagadeesan	4	No
Mr.Ashok P Shah	8	Yes
Mr.M. Pugazendhi	8	Yes

Every director has personally attended all the board meetings. Certificates have also been obtained from the Independent Directors confirming their position as Independent Directors on the Board of the Company in accordance with Section 149 of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

NUMBER OF BOARD OF DIRECTORS OR BOARD COMMITTEES INCLUDING THAMBBI MODERN SPINNING MILLS LIMITED IN WHICH THE DIRECTOR IS A CHAIRMAN / MEMBER IS AS FOLLOWS

Name of the Director	No. of Directorship	No. of committees in which Chairman / Member	
		Chairman	Member
Mr.R.Jagadeesan	3	NIL	NIL
Ms.Malathi Jagadeesan	4	1	3
Mr.Ashok P Shah	NIL	NIL	3
Mr.M. Pugazendhi	NIL	2	3

DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE

Our board consists of four directors. Out of the four, two directors i.e Mr.R.Jagadeesan, Managing Director and Ms.Malathi Jagadeesan, Non-Executive Director has spouse relationship. And other two are independent directors, Mr.Ashok P Shah and Mr.M. Pugazendhi who do not have any relationship with other members of the board.

THE DETAILS OF SHARES HELD BY THE DIRECTORS OF THE COMPANY IN THEIR INDIVIDUAL NAMES AS ON 31ST MARCH, 2017 ARE FURNISHED BELOW:

Names of the Director	No. of Equity Shares Held	Designation
Mr.R.Jagadeesan	3140995	Managing Director
Ms.Malathi Jagadeesan	424530	Non Executive Director
Mr.Ashok P Shah	0	Independent Director
Mr.M.Pugazendhi	200	Independent Director

NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS - None of the members of the board hold non convertible instruments.

WEB LINK WHERE DETAILS OF FAMILIARIZATION PROGRAMS IMPARTED TO INDEPENDENT DIRECTORS IS DISCLOSED – Our Company is exempted under regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

THAMBI MODERN SPINNING MILLS LIMITED

3. AUDIT COMMITTEE

BRIEF DESCRIPTION OF TERMS OF REFERENCE

Details of Composition of Audit Committee are covered under corporate governance report annexed with this report and forms part of this report. Further during this year all the recommendations of the Audit committee have been accepted by the Board.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

The Audit Committee comprises of Mr.M.Pugazendhi, Independent Director as Chairman, Mr.Ashok P Shah, Independent Director as Member and Ms.Malathi Jagadeesan, Non-executive Director as Member.

All the members of the Audit Committee are financially literate and one-half of the members have expertise in accounting/financial management. Mr.M.Pugazendhi, Chairman, Audit Committee was present at the Annual General Meeting held on 29.08.2016.

Mr. P.Rajasekaran, Compliance Officer is the Secretary to the Committee.

MEETINGS AND ATTENDANCE DURING THE YEAR

The Audit Committee meet Four times during the year and the time gap between any two meetings did not exceed more than four months.

Date of Meetings	Total No. of Members	No. of Members Present
19.05.2016	3	2
11.07.2016	3	3
11.11.2016	3	3
14.02.2016	3	2

Besides this, another meeting of the Audit Committee was held on 25th May, 2017 at which meeting the Audited Annual Accounts for the year ended 31st March, 2017, were placed before the Committee for consideration. Details of Composition of Audit Committee are covered under corporate governance report annexed with this report and forms part of this report. Further during this year all the recommendations of the Audit committee have been accepted by the Board.

4. NOMINATION AND REMUNERATION COMMITTEE

BRIEF DESCRIPTION OF TERMS OF REFERENCE

- Formulate Remuneration Policy and a policy on Board Diversity.
- Formulate criteria for evaluation of Directors and the Board.
- To ensure that the Remuneration Policy shall also include the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully; relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

THAMBBI MODERN SPINNING MILLS LIMITED

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

The Nomination and Remuneration Committee comprises of Mr. M. Pugazendhi, Independent Director as Chairman, Mr. Ashok Pukhraj Shah, Independent Director as Member, Ms.Malathi Jagadeesan, Non-executive Director as Members of the Committee.

MEETINGS AND ATTENDANCE DURING THE YEAR

Date of Meeting	Total No. of Members	No. of Members Present
21.11.2016	3	3

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

5. REMUNERATION TO DIRECTORS

DETAILS OF THE REMUNERATION FOR THE YEAR ENDED 31ST MARCH, 2017

Name of the Director	Category	Salary	Commission	Sitting fees	Perquisites and allowances	ESPS
Mr.R.Jagadeesan	Managing Director	125000/-P.M	NIL	NIL	NIL	NIL
Ms.Malathi Jagadeesan	Non Executive Director	NIL	NIL	4000	NIL	NIL
Mr.M.Pugazendhi	Independent Director	NIL	NIL	8000	NIL	NIL
Mr.Ashok P Shah	Independent Director	NIL	NIL	8000	NIL	NIL

Only sitting fees is payable to Non executive and Independent Directors for the meetings of the Committee or of the Board attended by them.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Committee consists of Ms. Malathi Jagadeesan, Non Executive Director as Chairman, Mr. M. Pugazendhi, Independent Director as Member and Mr. Ashok P Shah, Independent Director as Member. The Committee considers and resolves the grievances of the security holders.

The Committee also reviews the manner and time-lines of dealing with complaint letters received from Stock Exchanges/ SEBI/ Ministry of Corporate Affairs etc., and the responses thereto. Based on the delegated powers of the Compliance Officer, N.Aishwaraya, (effects from 14th December, 2016) approves the transfers, transmissions and transposition of securities on a regular basis and the same is reported at the next meeting of the Committee, normally held periodically.

N.Aishwarya, Compliance Officer (effects from 14th December, 2016) is the Secretary to the Committee and the Compliance Officer appointed for the compliance of capital market related laws

Meetings and Attendance

Date of Meeting	Total No. of Members	No. of Members Present
26.05.2016	3	2
30.06.2016	3	3
09.08.2016	3	3
22.08.2016	3	3
22.09.2016	3	3
24.03.2017	3	2

During the year, the Company has not received any grievance/Complaint letter from investors. No Compliant/Share transfer was pending as on 31.03.2017.

THAMMBI MODERN SPINNING MILLS LIMITED

7. GENERAL BODY MEETINGS

LOCATION AND TIME, WHERE LAST THREE ANNUAL GENERAL MEETINGS HELD

Year	Date	Time	Location	Special Resolution
2015 to 2016	29.08.2016	10.00 A.M	Unit II, TNEB Sub Station, Udayapatti By-pass road, Kamaraj Nagar Colony Post, Salem - 636014	NIL
2014 to 2015	31.08.2015	10.00 A.M	Unit II, TNEB Sub Station, Udayapatti By-pass road, Kamaraj Nagar Colony Post, Salem - 636014	NIL
2013 to 2014	08.09.2014	10.00 A.M	Unit II, TNEB Sub Station, Udayapatti By-pass road, Kamaraj Nagar Colony Post, Salem – 636014	Appointment of Mr.R.Jagadeesan as Chairman cum Managing Director for the period of Five years from 01.04.2014 to 31.03.2019 with a remuneration of Rs. 1,25,000/- p.m

Whether any special resolution passed last year through postal ballot/e-voting and Voting Pattern - NIL

Whether any Special Resolution is proposed to be conducted through postal ballot – NIL

8. MEANS OF COMMUNICATION

The Company's quarterly results are published in 'Makkal Kural' and 'Trinity Mirror', and are displayed on its website www.thambbimodern.com. Official news releases are sent to Stock Exchanges. Your Company has not been requested by any institutional investors / analysts for any detailed presentations on the Company's unaudited quarterly as well as audited annual financial results. The Company's website www.thambbimodern.com contains a separate dedicated section 'Investor Relations' where shareholders' information is available.

9. GENERAL SHAREHOLDER INFORMATION

a)	39th Annual General Meeting for the financial year ended 31st March, 2017	
	Day, Date and Time	Thursday, 31st August, 2017 at 10.00 A.M
	Venue	Unit II, Opp. TNEB Sub Station, Udayapatti By-pass Road, Kamaraj Nagar Colony Post, Salem 636 014
b)	Dividend payment date	NIL
c)	Date of Book Closure	Friday, the 25th August, 2017 to Thursday, the 31st August, 2017 (both days inclusive).
d)	Listing on stock exchange	Bombay Stock Exchange
	Payment of listing fees	Listing fees as applicable has been paid.
e)	Stock Code	514484

THAMBI MODERN SPINNING MILLS LIMITED

MARKET PRICE DATA – COMPANY SHARE PRICE AND BSE SENSEX

Month	Company Share Price		BSE Sensex	
	High	Low	High	Low
APRIL, 2016	7.06	5.10	26100.54	24523.20
MAY, 2016	8.09	7.31	26837.20	25057.93
JUNE, 2016	7.35	6.45	27105.41	25911.33
JULY, 2016	8.10	7.36	28240.20	27034.14
AUGUST, 2016	9.26	7.06	28532.25	27627.97
SEPTEMBER, 2016	10.50	9.12	29077.28	27716.78
OCTOBER, 2016	10.80	8.99	28477.65	27488.30
NOVEMBER, 2016	10.51	9.50	28029.80	25717.93
DECEMBER, 2016	9.40	8.93	26803.76	25753.74
JANUARY, 2017	8.49	8.49	27980.39	26447.06
FEBRUARY, 2017	8.07	6.93	29065.31	27590.10
MARCH, 2017	7.72	6.75	29824.62	28716.21

[Source: This information is compiled from the data available from the websites of BSE]

REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENT

Cameo Corporate Services Limited
Subramanian Building, V Floor, No.1, Club House Road
Chennai – 600 002
Contact No. 044 - 28461073

SHARE TRANSFER SYSTEM

The Board has authorized N.Aishwaraya, Compliance Officer (effects from 14th December 2016) to approve all transfer, transmission and transposition of securities.

No.of.Shares	Shareholders		No.of.Shares	
	Number	%	Number	%
Upto – 100	3739	81.12	339711	5.89
101 - 500	613	13.30	180709	3.14
501 -1000	131	2.84	104000	1.81
1001-2000	67	1.45	98539	1.71
2001-3000	15	0.33	36953	0.64
3001-4000	13	0.28	41639	0.72
4001-5000	6	0.13	27203	0.47
5001-10000	9	0.20	63672	1.11
10001 and above	16	0.35	4870344	84.51
Total	4609	100.00	5762770	100.00

THAMBBI MODERN SPINNING MILLS LIMITED

SHAREHOLDING PATTERN AS ON 31.03.2017

Category Code	Category of Shareholders	Number of Shareholders	Total Number of Shares	As a % of A+B+C
A	Shareholding of Promoter and Promoter Group			
1	Indian	4	4032295	69.97
2	Foreign	0	0	0
Total Shareholding of Promoter and Promoter Group		4	4032295	69.97
B	Public Shareholding	4601	1716275	29.78
1	Institutions	3	14200	.25
2	Non-institutions	0	0	0
Total Public Shareholding		4604	1730475	30.03
C	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0
TOTAL (A+B+C)		4608	5762770	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY

Shares of the Company can be held and traded in electronic form. As stipulated by SEBI, the shares of the Company are accepted in the Stock Exchanges for delivery only in dematerialization form.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity – NIL

Disclosure of commodity price risks or foreign exchange risk and commodity hedging activities – NIL

ADDRESS FOR COMMUNICATION

Registrar & Share Transfer Agents (R&TA) (matters relating to Shares, Dividends, Annual Reports)	Cameo Corporate Services Limited Subramanian Building, V Floor, No.1, Club House Road Chennai – 600 002 Contact No. 044 - 28461073
For any other general matters or in case of any difficulties/ grievances	Mr.P.Rajasekaran Chief Financial Officer Omalur Road, Jagir Ammapalayam, Salem – 636302 T : +91 0427 2345425
Website address	www.thambbimodern.com
Email ID of Investor Grievances Section	tmsml@thambbimodern.com
Name of the Compliance Officer	N.Aishwarya

a. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM WHISTLE BLOWER POLICY, AND AFFIRMATION THAT NO PERSONNEL HAVE BEEN DENIED ACCESS TO THE AUDIT COMMITTEE.

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had approved the Policy on Vigil Mechanism/ Whistle Blower and the same was hosted on the website of the Company.

THAMBBI MODERN SPINNING MILLS LIMITED

This Policy enables stakeholders (including Directors and employees) to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The policy provides adequate safeguards against victimization of director(s)/ employee(s) and direct access to the chairman of the audit committee. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the chairman of the audit committee.

Your company hereby affirms that no director/ employee have been denied access to the chairman of the audit committee and that no complaints were received during the year.

Details of compliance with mandatory requirements and adoption of the non-Mandatory requirements of this clause. The company has adopted all the mandatory requirements as per the listing agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company has not adopted non-mandatory requirements as stipulated in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations.

- b. Web link where policy for determining 'material' subsidiaries is disclosed – Nil
- c. Web link where policy on dealing with related party transactions – Nil.
- d. Disclosure of commodity price risks and commodity hedging activities - Nil.
- e. Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) above, with reasons thereof shall be disclosed.

Every requirement has been complied except non applicable/mandatory requirement. Hence there is no Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) above.

- f. Subsidiary Companies - Nil
- g. Material Subsidiary - Nil
- h. Disclosure with respect to demat suspense account/unclaimed suspense account - Nil

I. RISK MANAGEMENT

Your Company has not constituted Risk Management Committee, Since it is non mandatory. However the Company is keep on assessing and minimizing risk and monitors it continuously.

J. INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 of the Companies Act, 2013, the Independent Directors of the Company have been appointed for a period of 5 years. Pursuant to Schedule IV of the Companies Act, 2013, every Independent Director has been issued a letter of appointment containing the terms and conditions of his/her appointment. The terms and conditions of appointment have been posted on the website of the Company at www.thambbimodern.com.

K. SEPARATE MEETING OF INDEPENDENT DIRECTORS

In accordance with the provisions of Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held during the year on 29th August, 2016 without the attendance of Non-Independent Directors and members of management, inter alia to:

- Review the performance of the Non-Independent Directors and the Board as a whole;
- Review the performance of the Managing Director of the Company, taking into account the views of the executive directors and non-executive directors;
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mr.M.Pugazendhi and Mr. Ashok P Shah, Independent directors of the company convened a meeting of independent directors and discussed matters pertaining to the Company's affairs and functioning of the Board and presented their views to the Managing Director for appropriate action.

THAMBBI MODERN SPINNING MILLS LIMITED

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the company has adopted a code of conduct for its employees including the Managing Director and Executive Directors. In addition, the company has adopted a code of conduct for its Non-Executive Directors and Independent Directors. These codes are available on the company's website.

I confirm that the company has in respect of the year ended 31st March, 2017, received from the senior management team of the company and the member of the board a declaration of compliance with the code of conduct as applicable to them.

For the purpose of this declaration, senior management team means the chief financial officer cum Compliance Officer as on 31st March, 2017.

Place : Salem
Date : 21st July, 2017

For Thambbi Modern Spinning Mills Limited
R.Jagadeesan
Managing Director

CERTIFICATE TO THE MEMBERS OF THAMBBI MODERN SPINNING MILLS LIMITED

We have examined the compliance of conditions of Corporate Governance by Thambbi Modern Spinning Mills Limited, for the year ended 31 March, 2017 as stipulated in SEBI (LODR) Regulations, 2015. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations. We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders' / Investors' Grievance Committee. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Salem
Date : 10/05/2017

J. Bhuvanewari
Practising Company Secretary
ACS:25193
C.P.No.:16772

CERTIFICATION BY MANAGING DIRECTOR (CHIEF EXECUTIVE OFFICER) AND CHIEF FINANCIAL OFFICER TO THE BOARD PURSUANT TO REGULATION 17(8) AND PART B OF SCHEDULE II OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, R.Jagadeesan, Managing Director (Chief Executive Officer) and P.Rajasekaran, Chief Financial Officer cum Compliance Officer of M/s Thambbi Modern Spinning Mills Limited, certify that:

- A. we have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

THAMBBI MODERN SPINNING MILLS LIMITED

- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls system for financial reporting and that we have evaluated the effectiveness of Internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and to the Audit Committee that no:
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and;
 3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Salem

Date : 21st July, 2017

P.Rajasekaran
Chief Financial Officer

R.Jagadeesan
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a. Industry structure and developments

Structure: - The Company has not involved in manufacturing activities. However it has obtained Rs. 179.23 lacs of Rental Receipts

Developments: - The existing buildings of the Company have been leased out to generate income. Your Company will explore to optimize the operations to improve the revenue.

b. Opportunities and Threats

Opportunity: - The Company has started concentrating on leasing its existing land & building.

Threats :- The company has not involved in textile manufacturing.

c. Segment-wise or product-wise performance - Nil

d. Outlook

During the financial year 2016 – 2017, the Company has revenue from operations of Rs.179.23 Lacs as against Rs. 201.99 Lacs in the financial year 2015 - 2016.

e. Risks and concerns

The Company is keep on assessing and minimizing risk and monitors it continuously

THAMBBI MODERN SPINNING MILLS LIMITED

g. Discussion on financial performance with respect to operational performance

Financial Statement for the financial year 2016 - 2017

Particulars	2016 – 2017 (In Lacs)	2015 – 2016 (In Lacs)
		Income
Revenue from operations	179.23	201.99
Other Income	9.39	27.22
Total	188.62	229.21
Employee benefit expenses	34.11	33.94
Finance costs	62.93	43.05
Depreciation	23.24	29.80
Other Expenses	117.94	139.24
Total	238.22	246.03
Profit before exceptional and extraordinary items and tax	-49.60	-16.82
Previous Year Adjustments	0	4.04
Profit before tax	-49.60	-12.78
Profit (Loss) for the period from continuing operations	-49.60	-12.78

Results in Operations:-

During the financial year 2016 – 2017, the Company has revenue from operations of Rs. 179.23 Lacs as against Rs. 201.99 Lacs in the financial year 2015 - 2016.

The Company Finance cost and repairs to buildings exceed high, which results in increase in expenses. In future the Company will take measures to reduce expenses.

(XX) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company does not have any manufacturing / commercial activities. Hence there are no permanent workers/ employees at the end of the year.

ANNEXURE I

Form MR – 3

Secretarial Audit Report

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Personnel) Rules, 2014]

To

The Members

Thambbi Modern Spinning Mills Limited

Omalur Road, Jagir Ammapalayam

Salem- 636 302

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by Thambbi Modern Spinning Mills Limited (hereinafter called '**the Company**') for the audit period covering the financial year ended on March 31, 2017. The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the audit period generally complied with the statutory provisions listed hereunder and also that the Company has

THAMBBI MODERN SPINNING MILLS LIMITED

proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

The Companies Act, 2013 ('the Act') and the Rules made there under;

The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made there under;

The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; - **(Not Applicable during the Audit Period)**

I further report that –

the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 [SEBI Act]

The Securities and Exchange Board of India [Substantial Acquisition of Shares and Takeover] Regulations, 2011, if any, to the extent to which the company is responsible.

The Securities and Exchange Board of India [Prohibition of Insider Trading] Regulations, 2015, if any, to the extent to which the company is responsible.

The Securities and Exchange Board of India [Issue of Capital and Disclosure Requirements] Regulations , 2009 - **(Not Applicable during the Audit Period)**

The Securities and Exchange Board of India [Issue and Listing of Debt Securities] Regulations, 2008 - **(Not Applicable during the Audit Period)**

The Securities and Exchange Board of India [Registrars to an Issue and Share Transfer Agents] Regulations, 1993 regarding the Companies Act and dealing with the client.

The Securities and Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015.

The Securities and Exchange Board of India [Delisting of Equity Shares] Regulations, 2009 – **(Not Applicable during the Audit Period)**

The Securities and Exchange Board of India [Employee Stock option Scheme and Employee Stock purchase Scheme] guidelines,1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **(Not Applicable during the Audit Period)**

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

The other laws as may be applicable to the Company in our view are:-

Housing Board Act,1965

Transfer of Property Act,1882

Building and other Construction Worker's (Regulation of Employment and Conditions of Services) Act, 1996.

However, the Company is making revenue out of the rental income earned during the period under review. Hence, applicability of the above Acts/laws is limited.

No specific violations in respect of Tax Laws came to the notice of the undersigned from the review of the said checklist. However, I report that I have not carried out the audit with reference with the applicable financial laws, such as the Direct Laws and Indirect Laws, as same falls under the review of statutory audit and other designated professionals.

THAMBBI MODERN SPINNING MILLS LIMITED

I further report that –

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

I further report that –

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has not made any fresh issue of shares.

The Company has appointed Company Secretary. However, the company has to file necessary returns to be submitted with Registrar of Companies

Place : Salem
Date : 10th May, 2017

J. Bhuvaneshwari
Practising Company Secretary
ACS:25193
C.P.No.:16772

ANNEXURE - II

FORM MGT – 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2017

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L17111TZ1977PLC000776
ii.	Registration Date	07.03.1977
iii.	Name of the Company	THAMBBI MODERN SPINNING MILLS LIMITED
iv.	Category / Sub – Category of the Company	Company limited by shares/Indian Non Govt. Company
v	Address of the Registered Office of the Company	OMALUR ROAD, JAGIR AMMAPALAYAM, SALEM - 636302
vi.	Whether listed Company	Yes
vii.	Name, Address and contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited Subramanian Building, V Floor, No.1, Club House Road, Chennai – 600 002 Contact No.044-28461073

THAMBBI MODERN SPINNING MILLS LIMITED

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

S.No.	Name and Description of main Products / Services	NIC Code of the Product/ service	% to total turnover of the Company
1	Rent receipts	681	100%

IV. SHARE HOLDING PATTERN (equity share capital breakup as % of total equity)

Category-wise share holding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A.PROMOTERS									
1). INDIAN									
Individual/HUF	4032295		4032295	69.97	4032295		4032295	69.97	-
Any other	-	-	-	-	-	-	-	-	-
Sub-total (a)(1)	4032295		4032295	69.97	4032295		4032295	69.97	-
(2) Foreign									
Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of promoter (A) = (A) (1) + (A) (2)	4032295		4032295	69.97	4032295	-	4032295	69.97	-
B. Public Shareholding of promoter									
1. Institution									
Banks / FI	13800	400	14200	0.25	13800	400	14200	0.25	0
Funds other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	13800	400	14200	0.25	13800	400	14200	0.25	0
2. Non-Institutions									
3.a. Bodies Corp.	33943	36000	69943	1.21	32151	36000	68151	1.18	-0.03
b. Individuals	553854	377384	931268	16.16	558640	374784	933424	16.20	+0.04

THAMBBI MODERN SPINNING MILLS LIMITED

1.Individual shareholders holding nominal share capital into Rs.2.00 Lakh	698741	-	698741	12.12	700228	0	700228	12.15	+0.03
c. Any other Specify	0	0	0	0	0	0	0	0	0
1.Clearing Member	0	0	0	0	44	0	44	0	0
2.Hindu Undivided Family	15422	0	15422	0.27	14327	0	14327	0.25	-0.02
3.Non Resident Indians	901	0	901	0.02	101	0	101	0.00	-0.02
Sub-total (B) (2)	1302891	4133884	1716275	29.78	1305491	410784	1716275	29.78	-0.00
Total Public Shareholding (B) = (B) (1) + (B) (2)	1316691	413784	1730475	30.03	1319291	411184	1730475	30.03	-0.00
C. Shares held by custodians for GDRs and ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	5348986	413784	5762770	100.00	5351586	411184	5762770	100.00	0

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	R.JAGADEESAN	3140995	54.50	0	3140995	54.50	0	0
2	MALATHI JAGADEESAN	424530	7.37	0	424530	7.37	0	0
3	J.RAJALAKSHMI	256820	4.46	0	256820	4.46	0	0
4	J.RAMKUMAR	209950	3.64	0	209950	3.64	0	0

THAMBBI MODERN SPINNING MILLS LIMITED

(IV). Shareholding pattern of top ten shareholders

Sl. No	Name	No.of.Shares at the beginning (01.04.16)		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding at the yearend 31.03.17	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	S.R.MURALI MANOHAR	580000	10.0644	01.04.2016	0	Nil Movement during the year	580000	10.0644
2	RAJU BHANDARI	117011	2.0303	01.04.2016	0	Nil Movement during the year	117011	2.0303
3	FATEMA HUSSAININ BHARMAL	18100	0.3141	01.04.2016	0	Nil Movement during the year	18100	0.3141
4	K.RAJENDRAN	17677	0.3067	01.04.2016	0	Nil Movement during the year	17677	0.3067
5	PRAKASH S R	2000	0.0347	31.03.2017	13182	Purchases during the year	15182	0.2634
6	SUBODH RAJARAM MANJHREKAR	15100	0.2620	01.04.2016	0	Nil Movement during the year	15100	0.2620
7	ORIENTAL BANK OF COMMERCE	13800	0.2377	01.04.2016	0	Nil Movement during the year	13800	0.2377
8	NAYAN S MANJREKHAR	13700	0.2377	01.04.2016	0	Nil Movement during the year	13700	0.2377
9	BAJAJ AUTO LTD	13800	0.2377	01.04.2016	0	Nil Movement during the year	13800	0.2377
10	SAURAV GUPTA	12300	0.2134	01.04.2016	0	Nil Movement during the year	12300	0.2134

V. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	R.JAGADEESAN MANAGING DIRECTOR	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1					
	At the beginning of the year	3140995	54.503	3140995	54.503
	Date wise increase/decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/ bonus / sweat equity etc.,)	-	-	-	-
	At the end of the year	3140995	54.503	3140995	54.503

THAMBBI MODERN SPINNING MILLS LIMITED

V. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	MALATHI JAGADEESAN NON-EXECUTIVE DIRECTOR	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
2					
	At the beginning of the year	424530	7.37	424530	7.37
	Date wise increase/decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/ bonus / sweat equity etc.,)	-	-	-	-
	At the end of the year	424530	7.37	424530	7.37

Sl. No.	M. PUGAZHENDHI INDEPENDENT DIRECTOR	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
3					
	At the beginning of the year	200	0.003	200	0.003
	Date wise increase/decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/ bonus / sweat equity etc.,)	-	-	-	-
	At the end of the year	200	0.003	200	0.003

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment Rs.in.Lacs

Particulars	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal amount	417.12	0	0	417.12
ii. Interest due but not paid	0	0	0	0
iii. interest accrued but not due	0	0	0	0
Total (i+ii+iii)	417.12	0	0	417.12
Change in Indebtedness during the financial year				
• Addition	659.00			659.00
• Reduction	432.35			432.35
Net change	226.65	0	0	226.65
Indebtedness at the end of the financial year				
i. Principal amount	643.77	0	0	643.77
ii. Interest due but not paid	0	0	0	0
iii. interest accrued but not due	0	0	0	0
Total (i+ii+iii)	643.77	0	0	643.77

THAMBBI MODERN SPINNING MILLS LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director:

Sl.No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total amount
1	Gross Salary	R.JAGADEESAN, MANAGING DIRECTOR				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs.125000/- (P.M)	0	0	0	Rs.125000/- (P.M)
	(b) Value of perquisites u/s 17(2) of the Income Tax act, 1961	----	----	----	----	----
	(c) profits in lieu of salary under section 17 (3) Income tax act, 1961	----	----	----	----	----
2	Stock option	----	----	----	----	----
3	Sweat equity	----	----	----	----	----
4	Commission-as % of profit others, specify	----	----	----	----	----
5	Others, please specify	----	----	----	----	----
	Total (A)	Rs.125000/- (P.M)	0	0	0	Rs.125000/- (P.M)
	Ceiling as per the act	Eligible to provide Rs.42.00 Lacs P.A as per Section II of Part II of Schedule V of the Companies Act, 2013				

B. Remuneration to other director

SI.NO	PARTICUALRS OF REMUNERATION	NAMEOF DIRECTORS		TOTAL AMOUNT
1.		Independent Director	M.PUGAZHENDHI	ASHOK P SHAH
	Fee for attending board committee meetings	8000	8000	16000
	commission	0	0	0
	others, please specify	0	0	0
	Total (1)	8000	8000	16000
	Other Non – Executive Directors	MALATHI JAGADEESAN	-	-
	Fee for attending board committee meetings	4000	0	7000
	commission	0	0	0
	others, please specify	0	0	0
	Total (2)	4000	0	7000
	Total (B) = (1+2)	12000	8000	20000
	Total Managerial Remuneration	12000	8000	20000
	Overall ceiling as per the Act	Rs.1.00 Lac per meeting as per Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD - NA

VII . PENALTIES / PUNISHMENTS / COMPOUNDING OF OFFENCES – Nil during the fy. ended 31.03.2017

THAMBBI MODERN SPINNING MILLS LIMITED

INDEPENDENT AUDITOR'S REPORT

To

The Members of
Thambbi Modern Spinning Mills Limited,
Salem.

Report on the Financial Statements

We have audited the accompanying financial statements of **THAMBBI MODERN SPINNING MILLS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in

THAMBBI MODERN SPINNING MILLS LIMITED

conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at Dec 31, 2016 and its Loss and its cash flows for the year ended on that date.

Emphasis of Matters

In our opinion there are no matters in the Financial Statement of the Company which are required to be mentioned under this clause except the following:

Payments made out of Specified Bank Notes(SBNs) to contract workers and purchase of Building materials which is in violation of Reserve Bank's Ordinance (refer note no.13).

Report on other Legal and Regulatory Requirements:

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31stMar 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31stMar, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, and in our opinion and to our best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations which will have impact on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts to the financial statements;

There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company

For SANKARAN & KRISHNAN
Chartered Accountants
FRN 003582S

M.BALACHANDRAN
(Partner)
(Membership No. 016271)

Place : Chennai
Date : 25.05.2017

THAMBBI MODERN SPINNING MILLS LIMITED

ANNEXURE A TO AUDITOR'S REPORT

CARO 2017 Report on the financial statement of THAMBBI MODERN SPINNING MILLS LIMITED for the year ended 31stMar 2017.

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The Company does not have any Fixed Asset excepting buildings and hence this provision regarding verification of Fixed Asset does not apply.
(c) Whether title deeds of immovable property are held in the name of the company.
- II. In respect of its inventories:
Since the company does not have any inventory at the end of the year and hence this clause shall not apply.
- III. The company has not given or granted any loan, Secured or Unsecured to companies, Firms or other parties covered in the register maintained under Section 189 of the Companies Act.
- IV. The Company has not granted loan to its directors and other body corporate, hence this clause is not applicable.
- V. According to the information and explanations given to us, the Company has not accepted any deposit from the public.
- VI. According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under Sub-Section 1 of Section 148 of The Companies Act,2013.
- VII. (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at Mar 31, 2017 for a period of more than six months from the date of became payable.
(b) According to the information and explanation given to us and as per the records of the company examined by us, the following amount are not paid on account of pending dispute:
 1. Sales Tax dues amounting to Rs.18.57 lakhs pending before Sales Tax Tribunal.
- VIII. The Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
- IX. The Company has not raised any funds by way initial public offer or further public offer (including debt instruments) during the year. Further the company has not raised any term loan during the year.
- X. During the course of our examination of books of account and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have not come across any fraud on the company by its officers or by the company, noticed or reported during the year, nor have been informed of such case by the management.
- XI. The Company has paid/ provided for Managerial Remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- XII. The Company is not a Nidhi company and hence this provision does not apply.
- XIII. As per the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- XIV. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

THAMBBI MODERN SPINNING MILLS LIMITED

- XV. The Company has not entered into any non-cash transactions with directors or persons connected with him.
- XVI. According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For SANKARAN & KRISHNAN
Chartered Accountants
FRN 003582S

Place : Chennai
Date : 25.05.2017

M.BALACHANDRAN
(Partner)
(Membership No. 016271)

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **M/s. THAMBBI MODERN SPINNING MILLS LIMITED** ("the Company") as of 31 Mar 2017, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

THAMBBI MODERN SPINNING MILLS LIMITED

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 Mar 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Chennai
Date : 25.05.2017

For SANKARAN & KRISHNAN
Chartered Accountants
FRN 003582S
M.BALACHANDRAN
(Partner)
(Membership No. 016271)

THAMBBI MODERN SPINNING MILLS LIMITED

BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2017

(Rs. in Lakhs)

Particulars	Note	31 st March 2017	31 st March 2016
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share capital	1	576.28	576.28
(b) Reserves and surplus	2	-281.06	734.17
		295.22	1310.45
2. Non-Current Liabilities			
(a) Long-term borrowings	3	595.95	361.90
(b) Other long term liabilities	4	112.82	95.83
		708.77	457.73
3. Current liabilities			
(a) Short-term borrowings	5	6.00	0.00
(b) Trade payables	6	37.47	14.43
(c) Other current liabilities	7	66.04	70.81
(d) Short term provisions	8	0.00	0.00
		109.51	85.24
TOTAL		1113.50	1853.42
II. ASSETS			
1. Non current assets			
(a) Fixed assets			
(i) Tangible assets	9	607.10	376.02
(b) Deferred tax assets (net)	10	102.98	1015.97
		710.08	1391.99
2. Current assets			
(a) Inventories	11	0.00	0.00
(b) Trade receivables	12	242.99	250.37
(c) Cash and cash equivalents	13	22.62	50.04
(d) Short term loan and advances	14	137.81	161.02
		403.42	461.43
TOTAL		1113.50	1853.42

See accompanying notes to the financial statements per our report of even date

For and on behalf of the Board

For Sankaran & Krishnan,
Chartered Accountants,
Firm Registration No:003582S

M. Balachandran,
Partner
Membership No:16271

Place : Chennai
Date : 25th May 2017

Malathi Jagadeesan
Director.
DIN 00153952

N. Aishwarya
Company Secretary

R. Jagadeesan
Managing Director.
DIN 01153985

P. Rajasekaran
Chief Financial Officer

THAMBBI MODERN SPINNING MILLS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 2017

(Rs. in Lakhs)

Particulars	Note	31 st March 2017	31 st March 2016
I. Revenue from operations	15	179.23	201.99
II. Other income	16	9.39	27.22
III. Total Revenue	(A)	188.62	229.21
IV. Expenses			
Cost of materials consumed	17	0.00	0.00
Change in inventory of finished goods		0.00	0.00
Employee benefits expense	18	34.11	33.94
Finance costs	19	62.93	43.05
Depreciation		23.24	29.80
Other expenses	20	117.94	139.24
Total expenses	(B)	238.22	246.03
V. Profit before exceptional and extraordinary items and tax	(A-B)	-49.60	-16.82
VI. Previous Year Adjustments		0.00	4.04
VII. Profit before tax		-49.60	-12.78
VIII. Tax expense		0.00	0.00
(1) Deferred Tax		-912.99	----
(2) Income Tax		-52.64	----
IX. Profit (Loss) for the period from continuing operations		-1015.23	-12.78
Earning per equity share			
(1) Basic	Rs.	-17.61	-0.29
(2) Diluted	Rs.	-17.61	-0.29

See accompanying notes to the financial statements per our report of even date

For and on behalf of the Board

For Sankaran & Krishnan,
Chartered Accountants,
Firm Registration No:003582S

Malathi Jagadeesan
Director.
DIN 00153952

R.Jagadeesan
Managing Director.
DIN 01153985

M.Balachandran.
Partner
Membership No:16271

N.Aishwarya
Company Secretary

P.Rajasekaran
Chief Financial Officer

Place : Chennai
Date : 25th May 2017

SIGINIFICANT ACCOUNTING POLICIES

a) General

The accounts have been prepared under historical cost convention and conform to the statutory provisions and prevailing practices.

b) Fixed Assets

Expenditure, which results in the creation of new independent assets with an economic life of a sizeable period and considering the nature of the assets is capitalized. Fixed assets are depreciated on Straight Line Method (SLM) by taking useful life of Assets prescribed under Schedule II of the Companies Act 2013

C) Employee Benefits

The company does not have any manufauring /commercial activity. There are no permanent workers/employees at the end of the year. Accordingly ther are no liabilities regarding Bonus, Gratuity and Leave Encashment.

THAMBBI MODERN SPINNING MILLS LIMITED

1. SHARE CAPITAL

(Rs. in Lakhs)

Particulars		31.03.2017		31.03.2016
(a) the number and amount of shares authorized; No. of Shares		14000000		14000000
	Rs.	140,000,000		140,000,000
(b) the number of shares issued, subscribed and fully paid, and subscribed but not fully paid; No. of Shares		5762770		5762770
	Rs.	576.28		576.28
(c) par value per share;		10		10
(d) a reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;		Nil		Nil
(e) shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held;				
	%	No.of.Shares	%	No.of.Shares
R.Jagadeesan	54.50	3140995	54.50	3140995
Malathi Jagadeesan	7.37	424530	7.37	424530
S. R. Murali Manohar	10.06	580000	10.06	580000
(f) shares reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment, including the terms and amounts;		Nil		Nil
(g) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:		Nil		Nil
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.		Nil		Nil
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.		Nil		Nil
Aggregate number and class of shares bought back.		Nil		Nil
(h) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date.		Nil		Nil
(i) Calls unpaid (showing aggregate value of calls unpaid by directors and officers)		Nil		Nil
(j) Forfeited shares (amount originally paid up)		Nil		Nil

THAMBBI MODERN SPINNING MILLS LIMITED

2.2 RESERVES AND SURPLUS

(Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016
(a)Capital Reserves ;		
As per Last Balance Sheet	3495.62	3495.62
Add/Less:Profit /Loss for the year	0.00	0.00
Balance as at the end of the year	3495.62	3495.62
(b)Share Premium Account	745.79	745.79
(c) General Reserve	587.67	516.28
Add/Less:Adjustments of Investment Utilisation Reserve	0.00	71.39
Balance as at the end of the year	587.67	587.67
(d) Surplus in Profit and Loss Account		
As per Last Balance Sheet	-4094.91	-4082.13
Add/Less:Profit /Loss for the year	-1015.23	-12.78
Balance as at the end of the year	-5110.14	-4094.91
	-281.06	734.17

3. LONG TERM BORROWINGS

Secured		
(a)Term loans		
ICICI HFCL, Salem	207.09	361.90
LIC HFL, Coimbatore	388.86	0.00
	595.95	361.90
Term Loans from ICICI HFCL are secured by Title Deeds of Land and Building of Unit-I & Lease Rental Agreements repayable in 89 EMIs @ 10.60% P.A.Term Loans from LIC HFL are secured by Simple Mortgage of Land and Building of Unit-I & II & Lease Rental Agreements repayable in 120 EMIs @11.80% P.A interest.		

4. OTHER LONG TERM LIABILITIES

Unsecured		
From Directors	18.92	0.00
Rental Advances	93.90	95.83
	112.82	95.83

5. SHORT TERM BORROWINGS

Others	6.00	0.00
	6.00	0.00

6. CURRENT LIABILITIES

Trade Payables	37.47	14.43
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THAMBBI MODERN SPINNING MILLS LIMITED

7. OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016
(a) Other current liabilities	18.22	15.59
(b) Term Loan from ICICI HFL & LIC HFCL (Repayable within 1 year)	47.82	55.22
	66.04	70.81
Other Current Liabilities includes Income Tax Demand of Rs.9.97 lacs towards Asst.Year 2014-15		

8. SHORT TERM PROVISIONS

Provision for employee benefits	0.00	0.00
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9. TANGIBLE ASSETS

DESCRIPTION OF ASSETS	COST			DEPRECIATION			WRITTEN DOWN VALUE	
	AS ON 31.03.2016	ADDITIONS (DEDNS)	AS ON 31.03.2017	AS ON 31.03.2016	ADDITIONS (DEDNS)	AS ON 31.03.2017	AS ON 31.03.2017	AS ON 31.03.2016
Land	28.05	0.00	28.05	0.00	0.00	0.00	28.05	28.05
Buildings	702.37	51.57	753.94	373.00	22.90	395.90	358.04	329.37
Generator Sets	3.02	-3.02	0.00	1.05	-1.05	0.00	0.00	1.97
Vehicles	49.54	-49.54	0.00	33.39	-33.39	0.00	0.00	16.15
Furniture & Fixtures	1.16	0.00	1.16	1.12	0.00	1.12	0.04	0.04
Office Equipments	2.03	0.00	2.03	1.59	0.34	1.93	0.10	0.44
Capital Work in Progress	-	220.87	220.87	-	-	-	220.87	0.00
Total	786.17	272.44	1006.05	410.15	23.24	398.95	607.10	376.02
		-52.56			-34.44			
PREVIOUS YEAR	769.42	16.75	786.17	441.76	-31.61	410.15	376.02	327.66

10. DEFERRED TAX ASSET	102.98	1015.97
10.1. Deferred Tax Asset of Rs.912.99 lakhs has been written off to Profit & Loss Account based on the opinion that the same was recognised on unabsorbed losses more than eight years as the same are not recoverable.		
10.2. Provision for Taxation is not considered necessary both under provisions of Section 115JB and conventional method, in view of the brought forward book depreciation as well as losses under Income Tax Act, 1961 available for set off.		

11. INVENTORIES	0.00	0.00
	0.00	0.00

THAMBBI MODERN SPINNING MILLS LIMITED

12. TRADE RECEIVABLES

(Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016
(a) Out Standing for a period exceeding six months from the date they are due for payment Unsecured, Considered Good (A)	242.99	250.37
(b) Other Recivables (Unsecured, Considered Good) (B)	0.00	0.00
Total (A+B)	242.99	250.37

13. CASH AND CASH EQUIVALENTS

(a)Balances with banks in current a/c	22.12	38.61	
(b)Cash on hand	0.50	1.46	
(c)Fixed Deposits in Banks	0.00	9.97	
	22.62	50.04	
(a)Disclosure of Specified Bank Notes (SBN) held and transferred during the period from 8th Nov'2016 to 30th Dec'2016			
	SBNs (Rs.)	Other Notes (Rs.)	Total (Rs.)
Closing Cash on Hand on 08.11.2016	338000	64133	402133
Permitted Receipts	0	818780	818780
Permitted Payments	338000	295347	633347
Amount deposited in Banks			
Closing Cash on Hand on 30.12.2016	0	587566	587566

14. SHORT-TERM LOANS AND ADVANCES

(a)Loans and advances to related parties:		
Advances Recoverable in cash or in kind for value to be received	104.36	91.33
Deposits With Government Departments	13.30	17.61
Tax Deducted at Source	20.15	52.08
	137.81	161.02

For and on behalf of the Board

For Sankaran & Krishnan,
Chartered Accountants,
Firm Registration No:003582S

M.Balachandran.
Partner
Membership No:16271

Place : Chennai
Date : 25th May 2017

Malathi Jagadeesan
Director.
DIN 00153952

N.Aishwarya
Company Secretary

R.Jagadeesan
Managing Director.
DIN 01153985

P.Rajasekaran
Chief Financial Officer

THAMBBI MODERN SPINNING MILLS LIMITED

15. REVENUE FROM OPERATIONS

(Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016
other operating revenues -Rent Receipts	179.23	201.99
	179.23	201.99

16. OTHER INCOME

(a) Interest Income	8.51	2.63
(b) Other non-operating income-Profit on sale of assets	0.88	24.59
	9.39	27.22

17. (ii) (a) COST OF MATERIALS CONSUMED :-	N.A	N.A
---	------------	------------

18. EMPLOYEE BENEFITS

(i) salaries and wages,	32.96	29.46
(ii) contribution to provident and other funds,	0.00	2.93
(iii) staff welfare expenses	1.15	1.55
	34.11	33.94

18.1 DEPRECIATION	23.24	29.80
--------------------------	--------------	--------------

19. FINANCE COST

Interest expense	62.93	43.05
	62.93	43.05

20. OTHER EXPENSE

(a) Consumption of stores and spare parts.	0.00	0.00
(b) Power and fuel.	2.78	2.87
(c) Repairs to buildings.	30.05	84.52
(d) Repairs to machinery.	0.00	0.00
(e) Insurance	0.32	0.76
(f) Rent,Rates and taxes, excluding, taxes on income.	22.31	11.96
(g) Miscellaneous expenses,	25.61	30.40
(h)Loss on building W.off /Sale of Machinery	0.00	2.87
(l)Bad Debts W/off	28.13	0.00
(i)Audit fees & others	8.74	5.86
Payment to Auditors		
(a) As Auditor - Statutory Audit	0.42	0.42
(b) For Taxation Matters	0.09	0.09
(c) For Other Services	0.45	0.20
	117.94	139.24

THAMBBI MODERN SPINNING MILLS LIMITED

OTHER NOTES

21. RELATED PARTY DISCLOSURE

(Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016
I. List of related parties with whom no transactions have taken place; M/S.Sunrise Jewellers P Ltd.,Chennai		
II. List of related parties with whom transaction has taken place :		
a) Transaction with key management personnel:		
i. Mr.R.Jagadeesan-Managing Director Remuneration Rs.15,00,000/-		

21. CONTINGENT LIABILITIES ON ACCOUNT OF

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (after adjusting advances made thereof)	0.00	0.00
(b) Claims against the company which are contested/proposed to be contested before various judicial forums are given as under:		
(i) The Cotton Corporation of India Limited.,Coimbatore	62.59	62.59
(ii) Sales Tax	18.57	13.37
(iii) Corporation Tax	14.76	14.76
(iv) Others	6.13	0.00
(c) On account of Bank Guarantee issued by UBI favouring to DGFT	0.00	9.97

23. Previous year figures have been ,re grouped, re-arranged wherever considered necessary.

24. QUANTITY PARTICULARS

Since the company has no manufacturing activity during the year, quantity particulars information on consumption etc..are not furnished.

For and on behalf of the Board

For Sankaran & Krishnan,
Chartered Accountants,
Firm Registration No:003582S

Malathi Jagadeesan
Director.
DIN 00153952

R.Jagadeesan
Managing Director.
DIN 01153985

M.Balachandran.
Partner
Membership No:16271

N.Aishwarya
Company Secretary

P.Rajasekaran
Chief Financial Officer

Place : Chennai
Date : 25th May 2017

THAMBBI MODERN SPINNING MILLS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2017

Rs. in lacs

Particulars	31st March 2017 (12 months)		31st March 2016 (12 months)	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/Loss before tax and extra-ordinary items Adjustments for-		-49.60		-16.82
Depreciation	23.24		29.80	
Preliminary expenses	0.00		0.00	
Interest and other income	9.39		27.22	
Provision for tax & prior year adjustments	0.00		4.04	
		32.63		61.06
Operating profit before working capital Adjustments for-		-16.97		44.24
Trade and other receivables	7.38		35.47	
Inventories	0.00		0.00	
Interest on Working cpital & Term loan	62.93		43.05	
Trade payable	23.04		-11.35	
		93.35		67.17
CASH GENERATED FROM OPERATING ACTIVITIES		76.38		111.41
Interest on working capital	0.00		0.00	
Loans & Advances	-23.21		7.84	
		-23.21		7.84
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		99.59		103.57
CASH FLOW FROM INVESTING ACTIVITIES				
Proceeds from Fixed Assets	0.00		0.00	
Interest and other income received	9.39		27.22	
NET CASH USED IN INVESTING ACTIVITIES (B)		9.39		27.22
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from borrowing	244.57		135.35	
Reserves & Surplus	0.00		3.95	
Interest on term borrowing	-62.93		-43.05	
NET CASH IN FINANCE ACTIVITIES (C)		181.64		96.25
NET INCREASE (DECREASE) IN CASH EQUIVALENTS A+B+C		-72.66		34.54
CASH & CASH EQUIVALENT AS AT 31.03.2016(Opening balance)		50.04		15.50
CASH & CASH EQUIVALENT AS AT 31.03.2017 (Closing balance)		22.62		50.04
Note:				
Net Profit Before Tax		-49.60	-16.82	
add: Interest on Working Capital		0.00	0.00	
Net (Loss) / Profit Before Tax and Extra-Ordinary Items		-49.60	-16.82	

For and on behalf of the Board

For Sankaran & Krishnan,
Chartered Accountants,
Firm Registration No:003582S

M.Balachandran,
Partner
Membership No:16271

Place : Chennai
Date : 25th May 2017

Malathi Jagadeesan
Director.
DIN 00153952

N.Aishwarya
Company Secretary

R.Jagadeesan
Managing Director.
DIN 01153985

P.Rajasekaran
Chief Financial Officer

THAMBI MODERN SPINNING MILLS LIMITED

Balance sheet Abstract and Company's General Business Profile

Additional information under part IV to schedule VI of the Companies Act, 1956

I. Registration

Details

Registration Number

0	0	0	7	7	6	1	9	7	7
---	---	---	---	---	---	---	---	---	---

 State Code

1	8
---	---

Balance Sheet as at

3	1	0	3	2	0	1	7		
---	---	---	---	---	---	---	---	--	--

D D M M Y Y Y Y

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

Public Issue

N	I	L
---	---	---

 Right Issue

N	I	L
---	---	---

Bonus Issue

N	I	L
---	---	---

 Private Placement

N	I	L
---	---	---

III.POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)

TOTAL LIABILITIES

1	0	0	3	9	9
---	---	---	---	---	---

 TOTAL ASSETS

1	0	0	3	9	9
---	---	---	---	---	---

SOURCES OF FUNDS

Paid up capital

	5	7	6	2	8
--	---	---	---	---	---

 Reserves & Surplus

-	2	8	1	0	6
---	---	---	---	---	---

Secured Loans

	5	9	5	9	5
--	---	---	---	---	---

 Unsecured Loans

1	1	2	8	2
---	---	---	---	---

APPLICATION OF FUNDS

Net Fixed Assets

	6	0	7	1	0
--	---	---	---	---	---

 Defferred Tax Asset

1	0	2	9	8
---	---	---	---	---

Net Current Assets

	2	9	3	9	1
--	---	---	---	---	---

 Misc.Expenditure

		N	I	L
--	--	---	---	---

IV. PERFORMANCE OF THE COMPANY (Amount in Rs. Thousands)

Turnover

	1	8	8	6	2
--	---	---	---	---	---

 Total Expenditure

2	3	8	2	2
---	---	---	---	---

(Including Other Income)

Loss Before Tax

		4	9	6	0
--	--	---	---	---	---

 Loss after Tax

		4	9	6	0
--	--	---	---	---	---

Earnings per Share (-) (in Rs)

	1	7	.	6	1
--	---	---	---	---	---

 Dividend Rate %

N	I	L
---	---	---

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY (As per monetary terms)

Item code Number

				6	8	1
--	--	--	--	---	---	---

Product Description

R	E	N	T	R	E	C	E	I	P	T
---	---	---	---	---	---	---	---	---	---	---

THAMBI MODERN SPINNING MILLS LIMITED

Registered Office : Omalur Road, Jagir Ammapalayam, Salem-636 302

Corporate Identity Number (CIN) : L 17111TZ1977PLC000776

Website :www.thambbimodern.com,Email : tmsml@ymail.com Tel :0427-2345425

ADMISSION SLIP

Please fill the slip and hand it over at the entrance of the meeting hall. Joint shareholders may obtain additional slip at the venue of the following

DP ID :	FOLIO NO
Client ID	No.of Shares

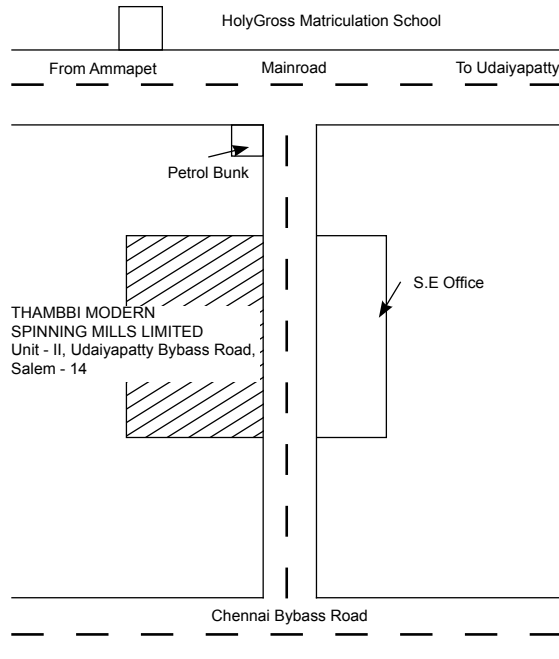
Name and Address of the Shareholders

I hereby record my presence at the 39th Annual General Meeting to the Company held at Unit II Premises, Opp. TNEB Sub Station, Udayapatti By-pass Road, Kamaraj Nagar Colony Post, Salem 636 014 on Thursday the 31st August'2017 at 10:00 a.m.

Signature of Attending Member/Proxy

_____ cut here _____

Road Map



THAMBBI MODERN SPINNING MILLS LIMITED

Registered Office : Omalur Road, Jagir Ammapalayam, Salem-636 302

Corporate Identity Number (CIN) : L 17111TZ1977PLC000776

Website :www.thambbimodern.com,Email : tmsml@ymail.com Tel :0427-2345425

PROXY FORM

(Form No: MGT-11)

(Pursuant to sec.105 (6) of the Companies Act 2013 and rule 19(3) of the Companies (Management and Administration) Rules 2014)

I / We _____ of _____ being the Member(s) of

Thambbi Modern Spinning Mills Limited hereby appoint

1.Name	2.Name	3.Name
Address	Address	Address
E mail id	E mail id	E mail id
Signature or failing him	Signature or failing him	Signature or failing him

Signature of the Shareholder.....

Signature of the 1st proxy holder

Signature of the 2nd proxy holder

Signature of the 3rd proxy holder

Please put a tick (✓) mark at the appropriate column against the respective Resolutions to record your assent (Yes) or your dissent (No). If you leave the 'Yes' or 'No' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner he / she thinks appropriate.

Sl. No	Resolutions	Type of Resolution	No. of Shares held	Yes	No
1.	Adoption of Financial Statements.	Ordinary			
2.	To Appoint Non Executive Director in the place of Ms.Malathi Jagadeesan who retires by rotation and being eligible, offers herself for re-appointment.				
3.	Appointment of Statutory Auditors				

Signed This _____ day of _____ 2017

Signature of Shareholder

Affix Revenue Stamp

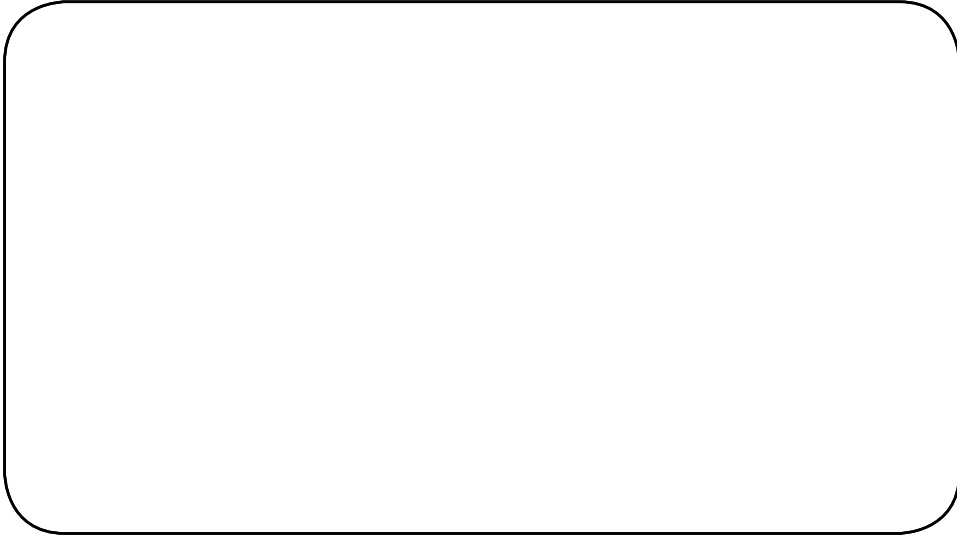
Signature of Proxy holder

Notes: N.B: 1. This proxy form must be deposited at the Registered office of the Company not less than 48 hours before the time for holding the meeting. (i.e.) before 31st August 2017. 2. Proxy need not a member. 3. Attendance slip should be sent to the proxy appointed by the member and not to the Company. 4. Strike out blank space not used. 5. Members should sign the proxy form duly affixing Rs.1/- Revenue Stamp. Unstamped or unsigned proxy is not valid and is liable for rejection. 5. A shareholder may vote either for or against each resolution [clause 34(g) of listing agreement].





To:



If Undelivered, please return to:

THAMBBI MODERN SPINNING MILLS LIMITED

Omalur road

Jagir Ammapalayam Post
Salem - 636 302, Tamilnadu.