

# Thambbi Modern Spinning Mills Limited

CIN : L17111TZ1977PLC000776



**Dated:** July 14, 2023

To,

**Listing Department,  
BSE Limited,**  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001

**Scrip Code:** 514484

Dear Sir/Madam,

**Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and receipt of the Initial Public Announcement dated July 14, 2023, under the SEBI (Delisting of Equity Shares) Regulations, 2021 ("SEBI Delisting Regulations 2021") in relation to the proposal to voluntary delist the Equity Shares of Thambbi Modern Spinning Mills Limited ("Company")**

The Company is in receipt of the Initial Public Announcement dated July 14, 2023 made by Saffron Capital Advisors Private Limited, Manager to the Offer, for and on behalf of Mr. Ramasamy Udayar Jagadeesan ("**Promoter Acquirer**"), in accordance with Regulation 8 of the SEBI Delisting Regulations, 2021 as amended, expressing the Promoter Acquirer's intention to (a) acquire all the equity shares that are held by public shareholders, either individually or together with other members of the promoter group, as the case may be; and (b) consequently voluntarily delist the equity shares from BSE limited ("**BSE**") (the only stock exchange where the equity shares of the company are presently listed), by making a delisting offer in accordance with the SEBI Delisting Regulations, 2021. ("**Initial Public Announcement**" or "**IPA**").

A copy of the IPA is enclosed for your reference and records. We request you to disseminate the same on your website at the earliest.

Thanking you

For **Thambbi Modern Spinning Mills Limited**

**Rajasekaran Ponnappan**  
**Chief Financial officer**  
Encl: as above

**Date:** July 14, 2023

To,  
The Board of Directors  
**Thambbi Modern Spinning Mills Limited**  
Omalur Road, Jagir Ammapalayam,  
Salem, - 636 302, Tamil Nadu, India

Dear Sir/Madam,

**Sub: Initial Public Announcement under Regulation 8 of SEBI (Delisting of Equity Shares) Regulations, 2021 (“SEBI Delisting Regulations, 2021”) expressing the intention to delist the fully paid-up Equity Shares of Thambbi Modern Spinning Mills Limited (“Company”)**

Promoter of Thambbi Modern Spinning Mills Limited (“Company”), Mr. Ramasamy Udayar Jagadeesan (“Promoter Acquirer”), has expressed his intention to: (a) acquire all the Equity shares that are held by public Shareholders, either individually or together with other members of the Promoter Group, as the case may be; and (b) consequently voluntarily delist the Equity Shares from the Stock Exchange where the Equity Shares are presently listed namely, BSE Limited, by making a delisting offer in accordance with the Delisting Regulations (“Delisting Proposal”).

With regards to the Delisting Proposal, Saffron Capital Advisors Private Limited is acting as the “Manager to the Offer” pursuant to and in accordance with Regulation 9 of the Delisting Regulations.

As required under Regulation 8(1) of the Delisting Regulations, we are enclosing herewith the copy of the initial public announcement dated July 14, 2023, in relation to the Delisting Proposal (“Initial Public Announcement” or “IPA”).

We request you to kindly disseminate the IPA on your website at the earliest.

Capitalized terms used in this letter unless defined herein shall have the same meanings as ascribed to them in the enclosed Initial Public Announcement.

In case you require any information or clarification the under-signed may be contacted:

Contact Person	Telephone	Email
Pooja Jain/ Saurabh Gaikwad	+91 22 4973 0394	<a href="mailto:delistings@saffronadvisor.com">delistings@saffronadvisor.com</a>

Thanking You  
Yours sincerely,  
**For Saffron Capital Advisors Private Limited**



**Authorized Signatory**  
**Name: Pooja Jain**  
**Designation: Assistant Company Secretary & Compliance Officer**  
**Equity Capital Markets**

INITIAL PUBLIC ANNOUNCEMENT UNDER REGULATION 8 OF THE SECURITIES AND  
EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES) REGULATIONS, 2021  
FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF



**THAMBBI MODERN SPINNING MILLS LIMITED**

Corporate Identification Number (CIN): L17111TZ1977PLC000776

Registered Office: Omalur Road, Jagir Ammapalayam, Salem – 636 302, Tamil Nadu, India;

Tel. No.: +91 427 234 5425; Fax. No.: N.A.;

Contact Person: Ms. Mohan Uma Maheshwari, Company Secretary & Compliance Officer;

Email id: [tmsml@ymail.com](mailto:tmsml@ymail.com) ; Website: [www.thambbimodern.com](http://www.thambbimodern.com)

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OFFER FOR 28,84,950 (TWENTY EIGHT LAKHS EIGHTY FOUR THOUSAND NINE HUNDRED AND FIFTY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE “EQUITY SHARES”) OF THAMBBI MODERN SPINNING MILLS LIMITED (THE “COMPANY”) REPRESENTING 25.03% OF THE PAID-UP EQUITY SHARE CAPITAL (AS DEFINED BELOW) FROM THE PUBLIC SHAREHOLDERS (AS DEFINED BELOW) OF THE COMPANY BY RAMASAMY UDAYAR JAGADEESAN (“PROMOTER ACQUIRER”) PURSUANT TO AND IN ACCORDANCE WITH REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES) REGULATIONS, 2021, AS AMENDED, (HEREINAFTER REFERRED TO AS THE “DELISTING REGULATIONS”).

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THIS INITIAL PUBLIC ANNOUNCEMENT (“IPA” OR “INITIAL PUBLIC ANNOUNCEMENT”) IS BEING ISSUED BY SAFFRON CAPITAL ADVISORS PRIVATE LIMITED (“MANAGER TO THE OFFER”) FOR AND ON BEHALF OF THE PROMOTER ACQUIRER EXPRESSING ITS INTENTION TO: (A) ACQUIRE ALL THE EQUITY SHARES (AS DEFINED BELOW) THAT ARE HELD BY PUBLIC SHAREHOLDERS, EITHER INDIVIDUALLY OR TOGETHER WITH OTHER MEMBERS OF THE PROMOTER GROUP, AS THE CASE MAY BE; AND (B) CONSEQUENTLY VOLUNTARILY DELIST THE EQUITY SHARES FROM BSE LIMITED (“BSE”) (THE ONLY STOCK EXCHANGE WHERE THE EQUITY SHARES OF THE COMPANY ARE PRESENTLY LISTED), BY MAKING A DELISTING OFFER IN ACCORDANCE WITH THE DELISTING REGULATIONS (AS DEFINED BELOW) (COLLECTIVELY AS THE “DELISTING PROPOSAL”).

**For the purpose of this IPA, the following terms have the meanings assigned to them below:**

- a) "**Board**" shall mean the board of directors of the Company;
- b) "**Delisting Regulations**" shall mean the SEBI (Delisting of Equity Shares) Regulations, 2021;
- c) "**Equity Shares**" shall mean fully paid-up equity shares of the Company, each having the face value of ₹ 10.
- d) "**Paid-up Equity Share Capital**" means paid up Equity Share Capital of the Company i.e., ₹ **11,52,55,400** divided into **1,15,25,540** Equity Shares of face value of ₹10 each.
- e) "**Public Shareholders**" shall mean the public shareholders of the Company as defined under Regulation 2(1)(t) of the Delisting Regulations; and
- f) "**SEBI**" shall mean the Securities and Exchange Board of India.
- g) "**Stock Exchange**" shall mean the stock exchange where the Equity Shares of the Company are presently listed i.e., BSE Limited.
- g) "**Company**" shall mean Thambbi Modern Spinning Mills Limited.

#### **1. Details of the Delisting Proposal:**

- a. As on date, the Promoter Acquirer holds **71,05,290** Equity Shares representing **61.65%** of the paid-up equity share capital of the Company and the aggregate shareholding of the Promoter Group is **86,40,590** Equity Shares representing **74.97%** of the paid-up equity share capital of the Company.
- b. The Promoter Acquirer has decided to make this Delisting Proposal under the prevailing Delisting Regulations. As required under Regulation 8 of the Delisting Regulations, this Initial Public Announcement is being made to initiate the process and to express the intention of the Promoter Acquirer to undertake the Delisting Proposal.
- c. In view of the above, as required under Regulation 8 of the Delisting Regulations, this Initial Public Announcement is being made by the Manager to the Delisting Offer for and on behalf of the Promoter Acquirer to express the intention to undertake the Delisting Proposal.

#### **2. Rationale for the Delisting Proposal:**

In terms of Regulation 8(3)(a) of the Delisting Regulations, the rationale for the Delisting Proposal is as follows:

- a. The main objective of the Delisting Proposal is to obtain full ownership of the Company by the Promoter & Promoter Group which will in turn provide increased financial flexibility to support the Company's business and financial needs, including but not limited to exploring new financing structures including financial support from the Promoter Group;

- b. The Delisting Proposal will help in cost savings and allow the management to dedicate more time and focus on the Company's business as reduction in time and requirement of resources dedicated to listing compliances; and
- c. The Delisting Proposal will provide the Public Shareholders an opportunity to realize immediate and certain value for their Equity Shares at a time of elevated market volatility.

### 3. **Undertakings/ Confirmations:**

In terms of Regulation 8(3)(b) of the Delisting Regulations, the Promoter Acquirer and members of the Promoter Group of the Company confirms that:

- a. They have not sold the Equity Shares during the period of 6 months prior to the date of this Initial Public Announcement; and
- b. They will not directly or indirectly, in connection with proposed delisting:
  - i. employ any device, scheme or artifice to defraud any shareholder or other person; or
  - ii. engage in any transaction or practice that operates as a fraud or deceit upon any shareholder or other person; or
  - iii. engage in any act or practice that is fraudulent, deceptive or manipulative.

### 4. **Price/ Consideration:**

- a. The discovered price will be determined through the reverse book building process specified in Schedule II of the Delisting Regulations, after fixation of the 'floor price' which will be determined in terms of Regulation 20(2) of the Delisting Regulations read with Regulation 8 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SEBI SAST Regulations**"). We will separately inform the floor price determined in accordance with the aforesaid provisions, in due course.
- b. In terms of the Delisting Regulations, the discovered price will be determined as the price at which shares are accepted through eligible bids, that takes the shareholding of the members of the Promoter Group (along with persons acting in concert) to 90% of the total issued shares excluding the shares which are held by following:
  - i) custodian(s) holding shares against which depository receipts have been issued overseas;
  - ii) a trust set up for implementing an employee benefit scheme under the SEBI (Share Based Employee Benefits) Regulations, 2014 or SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and;

iii) inactive shareholders such as vanishing companies, struck off companies, shares transferred to Investor Education and Protection Fund account and shares held in terms of Regulation 39(4) read with Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("**SEBI LODR Regulations**").

- c. The Promoter Acquirer shall have the sole discretion to accept or reject the discovered price or make a counter-offer in accordance with Delisting Regulations.

**5. Conditions for Delisting Proposal:**

The acquisition of Equity Shares by the Promoter Acquirer either individually or together with other members of the Promoter Group, as the case may be, from the Public Shareholders will be conditional upon the following:

- a. completion of Due Diligence by a Peer Reviewed Company Secretary as required under Regulation 10 (2) and 10(3) of Delisting Regulations;
- b. the Board approving the Delisting Proposal in accordance with Regulation 10 of the Delisting Regulations;
- c. the approval of the shareholders of the Company by way of a special resolution in accordance with the Regulation 11 of the Delisting Regulations and other applicable law wherein the number of votes cast by the Public Shareholders in favour of the Delisting Proposal is at least two times the number of votes cast by the Public Shareholders against it;
- d. receipt of the approval of the Stock Exchange in accordance with the Delisting Regulations and/ or any other statutory/ regulatory approvals and third party consents, as may be required, in relation to the Delisting Proposal;
- e. the acceptance by the Promoter Acquirer of the discovered price determined by the reverse book building process in accordance with the Delisting Regulations including other rights and obligations in terms of the Delisting Regulations or in case the discovered price is not acceptable to the Promoter Acquirer, a counter offer may be made by the Promoter Acquirer to the Public Shareholders within 2 (Two) working days of the closure of the bidding period;
- f. the number of Equity Shares being validly tendered in the delisting offer is sufficient enough to result in the delisting offer being successful in accordance with the Delisting Regulations; and
- g. such other terms and conditions as may be set out in the 'Detailed Public Announcement' or the 'letter of offer' to be made/ dispatched to the Public Shareholders in accordance with the Delisting Regulations.

6. **Other Details:**

- a. The Promoter Acquirer hereby confirms that he has made firm financial arrangements for fulfilling the payment obligations under the delisting offer and it is able to implement the delisting offer, subject to any statutory approvals for the delisting offer that may be necessary.
- b. The Promoter Acquirer accepts full responsibility for the information contained in this Initial Public Announcement and confirms that such information is true, fair and adequate in all material aspects. The Promoter Acquirer is aware of and will comply with the obligations under the Delisting Regulations.
- c. All the information pertaining to the Company contained in this Initial Public Announcement has been obtained from publicly available sources, and the accuracy thereof has not been independently verified by the Manager.

**Issued by Manager to the Offer on behalf of the Promoter Acquirer**

**SAFFRON**

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**SAFFRON CAPITAL ADVISORS PRIVATE LIMITED**

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Andheri Kurla Road, J. B. Nagar,  
Andheri (East), Mumbai - 400 059,  
Maharashtra, India.

**Telephone:** +91 22 4973 0394

**Facsimile:** NA

**E-mail:** delistings@saffronadvisor.com

**Website:** www.saffronadvisor.com

**Investor grievance:** investorgrievance@saffronadvisor.com

**Contact Person:** Ms. Pooja Jain/ Mr. Saurabh Gaikwad

**SEBI Registration Number:** INM 000011211

**Validity of Registration:** Permanent

**Promoter Acquirer**



**Ramasamy Udayar Jagadeesan**

**Place:** Salem, Tamil Nadu

**Date:** July 14, 2023