



# SAMBANDAM SPINNING MILLS LIMITED UNIT-I

Registered Office : Kamaraj Nagar Colony, Salem 636 014. Tamil Nadu  
(P) +91 427 2240790 (E) corporate@sambandam.com  
website : www.sambandam.com Corporate Identity No. L17111TZ1973PLC000675

Ref :742 /SSML/CS/2019-20

17<sup>th</sup> March 2020

The Listing Department,  
The Bombay Stock Exchange Ltd,  
Floor No. 25, P.J.Towers,  
Dalal Street,  
MUMBAI – 400 001.

Dear Sir,

**Scrip Code : 521240 –**

**Sub : Intimation under Regulation 30, Schedule III, Part A Para B(3) of Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements) Regulations, 2015**

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This is to inform that the Company has purchased on 16.03.2020 Plant & Machinery of Unit I of Kandagiri Spinning Mills Ltd., ( A related party transaction, consisting 27,212 spindles ) situated at Udayapatti Salem Tamil Nadu -636140, resulting in capacity addition as detailed below.

**Capacity addition :**

- |   |  |
|---|--|
| a. Existing capacity                                  | : 89,052 spindles  |
| b. Existing capacity utilization                      | : 90 % to 95%  |
| c. Proposed capacity addition                         | : 27,212 spindles  |
| d. Period within the proposed capacity is to be added | : by March /April 2020   |
| e. Investment required                                | : Rs 21.43 Crores(including GST )  |
| f. Mode of financing                                  | : Partly by bank and partly by internal source.  |
| g. Rationale  | : A) The Company intend to increase the production of yarn and so has gone for capacity addition by way of purchase of Plant & Machinery Unit I from Kandagiri Spinning Mills Limited – Salem. |

B)The Company has taken on Lease “Land and Building”(on 16.03.2020)on which above referred plant and machineries are situated.

The company had obtained Shareholders approval for the above purchase and lease transaction vide postal ballot resolutions dt 15.02.2020 which is also reported to BSE vide Ref No : 1702202005074044 dt 17.02.2020 and 1488041 dt 17.02.2020

This is for your kind information and record

Thanking you,

Yours truly,

**FOR SAMBANDAM SPINNING MILLS LTD.**

(S. DEVARAJAN)  
Chairman and Managing Director